17

THE CANADIAN ANNUAL REVIEW OF PUBLIC AFFAIRS

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HIS MAJESTY KING GEORGE V.

Crowned King of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India, June 22nd, 1911.

HER MAJESTY QUEEN MARY.
Crowned as Queen Consort on June 22nd, 1911.

FIELD MARSHAL H.R.H. THE DUKE OF CONNAUGHT AND STRATHEARN, K.G.
Appointed Governor-General of Canada in 1911.

THE CANADIAN ANNUAL REVIEW OF PUBLIC AFFAIRS

vol. II

1911

BY

J. CASTELL HOPKINS, F.S.S.

Editor of "Canada: An Encyclopaedia of the Country," in Six Volumes; Author of "The Story of the Dominion"; "Queen Victoria: Her Life and Reign"; "The Progress of Canada," Etc., Etc.

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CANADIAN BOOKS OF THE YEAR

Poetry and Drama

Name of Book.	Author.	Publisher.
Niagara and Nature Worship	William Sharp	Toronto: Wm. Briggs.
Fragments	Mrs. M. L. Hope	Toronto: Wm. Briggs.
Indian Tales	Mrs. M. L. Hope	Toronto: Wm. Briggs.
Our Destiny and Other Poems	Ernest J. Bowden	Toronto: Wm. Briggs.
Rhymes of the Survey & Frontier	George B. Field	Toronto: Wm. Briggs.
Poetry for Pulpit and Platform	Rev. Hamilton Wigle	Toronto: Wm. Briggs.
Ode on the Coronation	Mrs. Agnes G. Copeland	Toronto: Wm. Briggs.
Day Dreams of a Pioneer and Other Poems	John Mortimer	Toronto: Wm. Briggs.
Prairie Born, and Other Poems	Robert J. C. Stead	Toronto: Wm. Briggs.
Songs of the Makers of Canada	Dr. J. D. Logan	Toronto: Wm. Briggs.
Songs of the Prairies	R. J. C. Stead	Toronto: Wm. Briggs.
Irish Songs	A. J. Stringer	Toronto: McClelland & Goodchild.
Heart Forget-me-Nots	Amy E. Campbell	Toronto: Wm. Briggs.
Canadian Sonnets (Edited)	L. J. Burpee	Toronto: Musson.
Tales of the Porcupine Trails	W. Milton Yorke	Toronto: Musson.
Prose et Pensees	W. A. Baker	Montreal: Daoust & Tremblay.

Novels and Romances

Name of Book.	Author.	Publisher.
Sunshine-Shadder: Sketches of Ontario Life	Jean Mitchell Smith	Toronto: Wm. Briggs.
Is it Just: A Tale of British Columbia Life	Minnie Smith	Toronto: Wm. Briggs.
The Heir from New York	R. S. Jenkins	Toronto: Wm. Briggs.
The Turning Point	Charles Sparrow	Toronto: Wm. Briggs.
The Fourth Watch	H. A. Cody	Toronto: Wm. Briggs.
The Singer of the Kootenay	Robert E. Knowles	Toronto: Henry Frowde.
The Untamed	George Pattullo	Toronto: Macleod & Allen.
On the Iron at Big Cloud	Frank L. Packard	Toronto: McLellan-Goodchild.
The Lad Felix	Henry Milner	Toronto: Wm. Briggs.
The Story Girl	L. M. Montgomery	New York: L. C. Page.
The Trouble Man	Emily P. Weaver	
The Trail of Ninety-Eight	Robert W. Service	Toronto: Wm. Briggs.
Great Bear Life	Arthur E. McFarlane	
From Tenderfoot to Scout	Anna C. Ruddy	Toronto: Wm. Briggs.
The Course of Impatience Carningham	Mabel Burkholder	Toronto: Musson.
Freebooters of the Wilderness	Agnes C. Laut	Toronto: Musson.
The Yellow Pearl	Adeline M. Teskey	Toronto: Musson.
Out of Drowning Valley	Mrs. Carleton Jones	New York: Holt.
Madame Janvier's Church	Mary E. Hickson	Toronto: Musson.
Lisbeth of the Dale	Marian Keith (Mrs. MacGregor)	Toronto: Westminster Co.
Neighbours Unknown	C. G. D. Roberts	Toronto: MacMillan.
The Measure of a Man	Norman Duncan	New York: Revell.
Two on the Trail	Hulbert Footner	Toronto: Musson.
The Young Railroaders	F. Lovell Coombs	Toronto: Copp, Clark.
The Young Crusoes of the Sky	F. Lovell Coombs	Toronto: Copp, Clark.

History, Politics and Biography

Name of Book.	Author.	Publisher.
Memoir of the Hon. Sir Charles Paget	Very Rev. E. C. Paget, D.D.	Toronto: Wm. Briggs.
Souvenir History of the Pickering Centennial	Rev. W. R. Wood	Toronto: Wm. Briggs.
The Evolution of the Prairie Provinces	W. S. Herrington, K.C.	Toronto: Wm. Briggs.

Name of Book.	Author.	Publisher.
Past Years in Pickering	Rev. W. R. Wood	Toronto: Wm. Briggs.
Empire Club Speeches (Edited)	J. Castell Hopkins	Toronto: Warwick-Rutter.
Proceedings of Canadian Club, Toronto (Edited)	M. O. Hammond	Toronto: Warwick-Rutter.
Proceedings of Canadian Club, Ottawa (Edited)	E. Norman Smith	Ottawa: Mortimer Press.
Transactions Royal Society of Canada	3rd Series: Vol. IV	Ottawa: Published by Society.
Transactions Canadian Military Institute	Selected Papers	Welland: *The Tribune.*
L'Instruction au Canada Sous la *Régime* Francais	L'Abbé A. Gosselin	Montreal: Laflamme-Proulx.
The King's Book of Quebec	A. G. Doughty William Wood	Ottawa: Mortimer Press.
Capital Investments in Canada	Fred W. Field	Toronto: *Monetary Times.*
Father Lacombe: The Black-robed Voyageur	Katharine Hughes	Toronto: Wm. Briggs.
On Western Trails in the Early Seventies	Rev. Dr. John McDougall	Toronto: Wm. Briggs.
The Romance of Canada	Herbert Strong	Toronto: Henry Frowde.
Souveniers et Biographies	Hon. L. O. David	Montreal: Librarie Beau-cheimin.
Canada and Her Colonies or Home Rule for Alberta	A. Bramley Moore	London: Stewart.
The Diary of Mrs. John Graves Simcoe (Edited)	J. Ross Robertson	Toronto: Wm. Briggs.
Report of the Ontario Bureau of Archives (Edited)	Alexander Fraser	Toronto: King's Printer.
Publications of Niagara Historical Society (Edited)	Janet Carnochan	Niagara: *Times.* Welland: *Tribune.*
Hearne's Journey from Prince of Wales Fort (Edited)	J. B. Tyrrell	Toronto: Champlain Society.
Canadian Problems		Toronto: Presbyterian Offices.
Le Marquis de Montcalm	Hon. Thomas Chapais	Quebec: Garneau.
Nova Scotia: The Province that has been Passed By	Beckles Willson	London: Constable.
Collections of the Nova Scotia Historical Society		Halifax: Privately published.
Clerical Control in Quebec	E. McC. Sait	Toronto: *Sentinel.*
The Precursors of Jacques Cartier (Edited)	H. P. Biggar	Ottawa: Government Bureau.
L' Eglise du Canada depuis Mgr. de Laval Jusqu' a la Conquete	L'Abbé Auguste Gosselin	Quebec: Laflamme.
Historical and Other Educational Papers, 1856-72 (Edited)	Dr. J. George Hodgins	Toronto: King's Printer.
Catalogue of Pamphlets, Journals and Reports in Dominion Archives (Edited)	A. G. Doughty	Ottawa: Government Bureau.
The Canadian Annual Review of Public Affairs	J. Castell Hopkins	Toronto: Annual Review Co.
Forty Years of Song	Emma Albani	Toronto: Copp, Clark.
Life and Letters of James Wolfe	Beckles Willson	New York: Dodd, Mead.
Canada and Canadian Defence	Major-General C. W. Robinson, C.B.	Toronto: Musson.
Canadian National Economy	J. J. Harpell	Toronto: Musson.

Books Descriptive of Canada

Name of Book.	Author.	Publisher.
Canada's West and Farther West	Frank Carrel	Quebec: Telegraph Co.
Seeing Canada and the South	Prof. H. Percy Scott	Toronto: Wm. Briggs.
Through the Heart of Canada	Frank Yeigh	Toronto: Frowde.
Report of the Government Expedition to the Arctic Islands	Captain J. E. Bernier	Ottawa: Government Bureau.
The Arctic Prairies: A Canoe Voyage of 2,000 Miles	E. Thompson-Seton	Toronto: Wm. Briggs.
Dominion North on the Labrador	W. F. Grenfell, C.M.G.	New York: Revell.
The Canadian Rockies: New and Old Trails	Prof. A. P. Coleman	Toronto: Frowd.
The Dominion of Canada	W. L. Griffith	Toronto: McLellan-Goodchild.
Commission of Conservation—Lands, Fisheries, Game and Minerals	Hon. Clifford Sifton James White	Ottawa: Ottawa: Mortimer.
Commission of Conservation—2nd Annual Report	Hon. Clifford Sifton James White	Ottawa: Montreal: Lovell.

Works of Reference

Name of Book.	Author.	Publisher.
Canadian Men and Women of the Time	Henry J. Morgan, D.C.L.	Toronto: Wm. Briggs.
Canadian Days	Compiled and Published by Toronto Women's Press Club	Toronto: Musson.
The Year Book of British Columbia (Edited)	R. E. Gosnell	Victoria: King's Printer.
The Canadian Annual Review of Public Affairs	J. Castell Hopkins	Toronto: Annual Review Co.
Minutes of the Methodist Conferences, 1911		Toronto: Wm. Briggs.
Review of Historical Publications Relating to Canada (Edited)	Prof. G. M. Wrong W. S. Wallace	Toronto: University Press.
An Index and Dictionary of Canadian History (Edited)	A. G. Doughty L. J. Burpee	Toronto: Glasgow & Co.
The Canadian Almanac (Edited)	Arnold W. Thomas	Toronto: Copp, Clark.
The Annual Financial Review (Edited)	W. R. Houston	Toronto: Houston.
Commercial Handbook of Canada (Edited)	Ernest Heaton	Toronto: Heaton.
The Canada Year Book (Edited)	A. Blue	Ottawa: Govt. Printer.

Monographs and Pamphlets

Name of Book.	Author.	Publisher.
The Kingdom Papers—Canadian Independence	John S. Ewart, K.C.	Ottawa: Privately published.
The Kingdom Papers—Imperialism	John S. Ewart, K.C.	Ottawa: Privately published.
The Kingdom Papers—Reply to Criticism	John S. Ewart, K.C.	Ottawa: Privately published.
The Kingdom Papers—The Conferences	John S. Ewart, K.C.	Ottawa: Privately published.
The Kingdom Papers—Ne Temere Decree	John S. Ewart, K.C.	Ottawa: Privately published.
Historical Sketch of the Royal Bank of Canada	J. Castell Hopkins	Toronto: Wm. Briggs.
Historical Sketch of a Great Newspaper	J. Castell Hopkins	Montreal: *The Star*.
Canadian Copyright	Frank Wise	Toronto: Morang.
Animal Sanctuaries in Labrador	Wm. Wood	Ottawa: Capital Press.
Reciprocity and Canada's Future	R. E. Gosnell	Victoria: Privately published.
Church History from the Archives	Rev. Henry Kittson	Kingston: Jackson Press.
The Canadian Oyster Industry	M. J. Patton, M.A.	Ottawa: R. L. Grain.
Pollution of Canadian Surface Waters	T. Aird Murray	Ottawa: Love Martin.
Canada: An Address	Hon. W. R. Riddell	Toronto: Privately published.
International Trade Relations	Hon. W. R. Riddell	Toronto: Privately published.
Legal Utility of Classical Studies	Hon. W. R. Riddell	Toronto: Privately published.
The Constitutional History of Canada	Hon. W. R. Riddell	Toronto: Privately published.
Step by Step: The Governance of Empire	R. V. Harris	Halifax: Privately Printed.
Canada and Imperial Defence	Montreal: Daoust & Trem-	Toronto: Wm. Briggs.
Extra-Provincial Corporations	F. W. Wegenast, LL.B.	Toronto: C. M. Association.
Banking in Canada	Sir Edmund Walker	Toronto: Privately Printed.
Reciprocity with the United States	Z. A. Lash, K.C.	The Canadian National League.
Annexation, Preferential Trade and Reciprocity	Prof. C. D. Allan George M. Jones	Toronto: Musson.
Canada and the French Canadian	Theodore H. Boggs	Montreal: University Magazine.
The Intensive Culture of Small Farms	J. Enoch Thompson	Toronto: Wm. Briggs.
The Rittenhouse School and Gardens	H. M. Gayman	Toronto: Wm. Briggs.
Report on Slum Conditions in Toronto	Dr. C. J. Hastings	Toronto: Department of Health.
The Call of God	Mary E. Hickson	Montreal: Published by the author.

Name of Book.	Author.	Publisher.
Banking in Canada	Sir Edmund Walker	Toronto: Privately published.
The Reciprocity Agreement and its Consequences	Henri Bourassa	Montreal: *Le Devoir*.
The Great Betrayal: A Speech on Reciprocity	Donald MacMaster, K.C.	London: Privately published.
Reciprocity: The Trade Treaty of 1854-66	E. B. Biggar	Toronto: Biggar-Wilson.
Canada and the Preference	S. Morley Wickett	Toronto: Privately published.
Canada's Crisis in 1911	E. B. Biggar	Toronto: Biggar-Wilson.

Miscellaneous

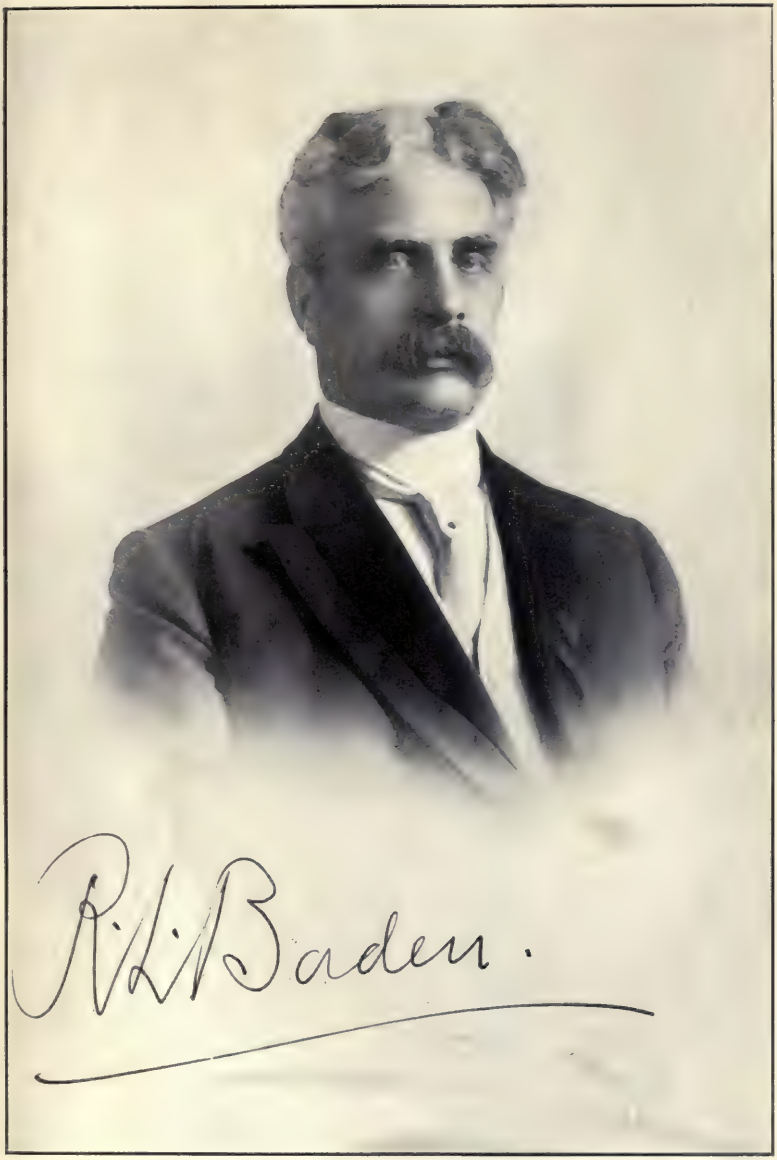
Name of Book.	Author.	Publisher.
Remedies of Vendors and Purchasers of Real Estate	C. C. McCaul, K.C.	Toronto: Carswell.
Bridge in Canada	W. Forsyth Grant	Toronto: Morang.
From Tenderfoot to Scout	A. C. Ruddy	Toronto: Wm. Briggs.
East and West	Adelaide P. Fitch	Toronto: Wm. Briggs.
Canadian Dairying	H. H. Dean, B.S.A.	Toronto: Wm. Briggs.
The Canadian Garden: A Pocket Help for the Amateur	Mrs. Annie L. Jack	Montreal: Chapman.
Francis Bacon	G. Walter Steeves, M.D.	London: Methuen.
The Canadian Rockies: New and Old Trails	Prof. A. P. Coleman	London: Fisher-Unwin.
The Young Man and His Problems	Rev. J. L. Gordon	Toronto: Funk & Wagnall.
Canadian Reports: Appeal Cases (1910) (Edited)	Walter E. Lear	Toronto: Poole & Co.
Canadian Reports: Appeal Cases (1852-63) (Edited)	Walter E. Lear	Toronto: Poole & Co.
With Gun and Guide in Canada	Thomas Martindale	Toronto: Musson.
Reality of the Divine Movement in Israel	Rev. G. H. Porter	Toronto: Wm. Briggs.
New Testament Evangelism	Prof. T. B. Kilpatrick	Toronto: Westminster.
The Mystery of Golf	T. Arnold Haultain	Toronto: MacMillan.
The English Correspondence of St. Boniface	Prof. E. L. Kylie	London: Chatto & Windus.
God's Fellow Workers	Rev. C. B. Keenleyside	London: Morgan & Scott.
The Water Babies (Edited)	William Clark, LL.D., D.C.L.	Toronto: Musson.
Wholesale Prices in Canada	R. H. Coats, B.A.	Ottawa: Government Bureau.
Annual Archæological Report (Edited)	R. B. Orr	Toronto: King's Printer.
Great Speeches and How to Make Them	Grenville Kleiser	Toronto: McClelland, Goodchild.
How to Read and Declaim	Grenville Kleiser	Toronto: McClelland, Goodchild.
Insurance Law of Canada	F. J. Laverty, B.A., B.C.L.	Montreal: Lovell.

Books About Canada—Not Written By Canadians

Name of Book.	Author.	Publisher.
Peeps at History of Canada	Beatrice Home	Toronto: MacMillan.
Highways and Byways of the Great Lakes	Clifton Johnson	Toronto: MacMillan.
Wheat-Growing in Canada	W. P. Rutter	Toronto: MacMillan.
The Wilderness of the Upper Yukon	Charles Sheldon	Toronto: Copp, Clark.
British North America, 1763-1867	A. Wyatt Tilby	London: Constable.
Scots in Canada; A History of the Settlement of the Dominion	John Murray Gibbon	London: Kegan Paul.
The Golden Land	A. E. Copping	Toronto: Musson.
The Revolt in Canada against the New Feudalism	Edward Porritt	London: Cassell.
The Canadian Boy Scout	General Sir R. Baden-Powell	Toronto: Morang.
Canada: To-Day and To-Morrow	A. E. Copping	Toronto: Cassell.
The Dominion of Canada	R. E. Vernede	Toronto: Wm. Briggs.
The New Garden of Canada	E. A. Talbot	Toronto: Cassell.
Pioneers in Canada	Sir Harry Johnston	Toronto: Copp, Clark.
The Making of a Great Canadian Railway	Fred A. Talbot	Toronto: Musson.
Old Indian Trails of the Canadian Rockies	Mary T. S. Schaffer	Toronto: Wm. Briggs.
A Fisherman's Summer in Canada	F. G. Aflalo	Londop: Witherby & Co.
Canada of To-Day	William Maxwell	London: Jarrold's.

Important Empire Works of 1911

Name of Book.	Author.	Publisher.
The Imperial Conference: A History and Study	Richard Jebb, M.A.	London: Longmans.
Canada and the Empire	W. R. Lawson	London: Blackwood.
A History and Description of the British Empire in America	Arthur G. Bradley	London: National Society.
Federations and Unions Within the British Empire	H. E. Egerton	Oxford: Clarendon Press.
From Pillar to Post	Lt.-Col. H. C. Lowther	London: Edward Arnold.
India Under Curzon and After	Lovat Fraser	London: Heinemann.
The Great Duke	W. H. Fitchett, B.A., LL.D.	London: Smith Elder.
Life of Spencer Compton, 8th Duke of Devonshire	Bernard Holland, C.B.	London: Longmans.
A History of England	C. R. L. Fletcher, Rudyard Kipling	Toronto: Henry Frowde.
Imperial Telegraphic Communication	Charles Bright	London: P. S. King.
British Dominions: Their Present Commercial and Industrial Conditions	W. J. Ashley	London: Longmans.
The Round Table: A Quarterly Review of the Politics of the British Empire		The Secretary, 175 Piccadilly, London W.
The First Decade of the Australian Commonwealth	H. G. Turner	Melbourne: Mason Firth.
India: Its Administration and Progress	Sir J. Strachey	London: Macmillan.
The Ocean Empire: Its Dangers and Defence	Gerard Fiennes	London: Treherne.
South Africa To-Day	H. Hamilton Fyfe	London: Eveleigh, Nash.



THE RIGHT HON. ROBERT LAIRD BORDEN, K.C., LL.D., M.P.

Appointed Prime Minister and President of the King's Privy Council for Canada, October 10, 1911.

THE CANADIAN ANNUAL REVIEW

I.—RECIPROCITY WITH THE UNITED STATES.

Development and Historical Environment of the Issue

The great question of the year 1911 was that of Limited Reciprocity with the United States—just as the proposal for Unrestricted Reciprocity with that country had been the vital issue of 1891 and the question of Protection had been the problem of 1878 and immediately preceding years. The issue was an obvious and not unnatural one for discussion and consideration. Closer trade relations with a dominating and expanding community such as the vastly-growing population of the United States could not but be a subject of importance to the people of Canada—whatever the national sentiment and national interests of the latter might be amid the ever-changing conditions of a youthful country with immense and developing resources. The subject was of importance in 1846 when Great Britain abrogated her Preferential and Protective policy and these scattered, almost insignificant, Colonies were thrown upon their own resources; it was still more so in 1849 when the leaders of public opinion in Montreal sought Annexation to the United States as a relief from existing commercial and financial conditions; it was of extreme interest in 1854 when Lord Elgin obtained a measure of limited Reciprocity after declaring, in correspondence since published,* that without it the worst might be feared and with it would come "contentment and material progress."

These two matters of history—the Annexation Manifesto of 1849 and the Reciprocity Treaty of 1854 which was abrogated by the United States in 1866—were matters of much discussion in 1911. The former document was thrown at the heads of the Conservatives with the statement that it was largely signed by that party and was urged by the same element which burned the Parliament Buildings in Montreal. The facts are that the Manifesto was the outgrowth of general discontent amid a deplorable local deadness of trade, inertia in business, lack of confidence in the

* NOTE.—Walrond's *Life and Letters of Lord Elgin.*

future of the country, and frequent comparison with the prosperity existing across the borders. It was signed by such non-political leaders in the community as the Torrances, Molsons, Workmans and Redpaths; by men who afterwards became Conservative leaders such as Sir John Rose, Sir John Abbott, and Sir D. L. McPherson; by afterwards prominent Liberals such as Sir A. A. Dorion, Hon. Luther H. Holton, J. B. E. Dorion and his fiery, fighting brethren, Hon. James McShane and Senator E. Goff Penny. As to the Reciprocity Treaty itself every kind of opinion had been and was expressed. The United States claimed that it was too favourable to the British Provinces; the Canadian Liberals in 1891 and 1911 declared it to have been of transcendent importance and value to the farmers of the country; the Conservatives up to 1891 were, in the main, willing to admit its profitable character and, after that date, to claim that what was good for a small country in 1854 was not necessarily good for a greater people three or four decades after. Incidentally, also, it was obvious that war prices and, therefore, prosperity would necessarily prevail in Canada during the Crimean War and during the American Civil War —treaty or no treaty. The exact terms of this famous arrangement admitted into the United States and the British Provinces, respectively, free of duty, the following articles or products:

Grain, flour, and breadstuffs of all kinds; animals of all kinds; fresh, smoked, and salted meats; cotton wool, seeds and vegetables; undried fruits, dried fruits; fish of all kinds, products of fish, and of all other creatures living in the water; poultry, eggs, hides, furs, skins or tails undressed; stone or marble in its crude or unwrought state and slate; butter, cheese, tallow; lard, horns, manures, ores of metals of all kinds and coal; pitch, tar, turpentine, ashes; timber and lumber of all kinds, round, hewed and sawed, unmanufactured in whole or in part; firewood, plants, shrubs and trees; pelts, wool, fish, oil; rice, broom-corn and bark; gypsum, ground or unground; hewn or wrought or unwrought burr or grindstones; dyestuffs; flax, hemp and tow, unmanufactured; unmanufactured tobacco; rags.

It received Legislative sanction by the United States on August 15, 1854; by Canada (Ontario and Quebec) on Sept. 23rd; by Prince Edward Island on Oct. 7th, New Brunswick on Nov. 3rd and Nova Scotia on Dec. 13th. It came into operation on March 16th, 1855, and was abrogated by Resolution of the United States Congress on Jan. 18th, 1865—this action taking effect on March 17th, 1866. Many and varied efforts were made to obtain its renewal by Conservatives and Liberals alike. In 1868 a standing offer of Reciprocity along the lines of the Treaty was incorporated in the Tariff law of confederated Canada, renewed in a modified form under the National Policy Tariff of 1879, again expressed, though in very general terms, in 1894, and eliminated by the Laurier Government from the Tariff Bill of 1897. Missions to Washington, or informal negotiations seeking renewal, began before the Treaty was abrogated and were continued in 1869 by

Sir John Rose, Minister of Finance, and by Sir John Macdonald in the Washington High Commission of 1871; by George Brown in 1874 when a Treaty was negotiated (including a selected List of manufactures) which the United States Senate rejected; by Sir Charles Tupper in 1887-8 and by representatives of the Macdonald Government in 1892 when Mr. J. G. Blaine, U. S. Secretary of State, declared that only a system of Commercial Union would be admissible; by the Laurier Government in 1896 (unofficially) and in 1898, officially, at the Joint High Commission of that year.

There was, therefore, no question as to both parties having publicly sought Reciprocity in some form or other. The actual results of the Treaty were variously defined and described during 1911. Recently published official figures of the United States Bureau of Statistics showed the total imports from Canada (Ontario and Quebec) into the United States in 1850 to have been $5,179,500, in 1860 $23,572,796 and in 1870 $35,354,247, while the exports from the United States to Canada were, respectively, $9,515,991, $22,695,968 and $21,852,226. During the whole period, 1854-66, inclusive, according to Canadian figures, there was a total export from British America (including Newfoundland) of $267,612,131 worth of products (chiefly agricultural) to the United States while the imports included $35,433,213 worth of animals and their products, $112,058,473 worth of breadstuffs, and $88,649,787 worth of manufactured goods.

During 1911 history was freely and variously quoted by the two Parties in Canada. The Liberals claimed that the Conservatives had always supported a limited Reciprocity and should do so now; the Conservatives replied that in 1891, and at other periods, the Liberal leaders had shown grave doubt of their opponents' sincerity and had often declared that the Government of Sir John Macdonald was never really in favour of Reciprocity. There could be no doubt as to the situation prior to the later Eighties. The combination of legislation and Washington missions proved Conservative support. In the Commons in 1884 (*Hansard,* Pages 1186-7) Sir John Macdonald eulogized the Treaty of 1854 and described its initiation by the Government of Sir Francis Hincks as of great merit and "a great service to Canada." In a letter to S. J. Ritchie of Akron, Ohio, on July 30, 1890, Sir John said: "I am fully assured that the Parliament of Canada will be ready to take off all the customs' duty on coal, ores, and lumber imported from the United States, whenever Congress makes those articles free of duty." As late as Dec. 13, 1890, when the wider issue of Unrestricted Reciprocity had shown great and unexpected strength in the country, the Government sought to meet the situation by negotiation of a moderate trade treaty with the United States and, in a despatch from the Governor-General to the British Colonial Secretary, it was stated that his Ministers were prepared for a Joint Commission such as that of 1871 to deal with various mat-

ters and to seek " renewal of the Reciprocity Treaty of 1854, with the modifications required by the altered circumstances of both countries and with the extensions deemed by the Commission to be in the interests of Canada and the United States."

The succeeding Elections of 1891 were fought upon the issue of Unrestricted Reciprocity promised by a Liberal party of which the majority probably favoured the restricted variety; against it was a Government supporting Reciprocity in natural products though not, probably, very enthusiastic about any form of the policy. It was from an 1891 Manifesto of Sir John Thompson, then Minister of Justice, that this quotation was largely used in 1911: " We have made to the Government of the United States, through the Government of Great Britain, proposals for reciprocity in trade which we have good reason to believe will result in an arrangement by which the markets of the United States will be re-opened to the products which our people desire most to send there. A fair measure of reciprocity is what we desire and we have no doubt that that can be obtained without undue sacrifices." So largely did the feeling in favour of limited Reciprocity still exist in 1891 that a Montreal mass meeting held on Feb. 11th, 1891, with the late Sir George Drummond in the chair and upon motion of A. F. Gault and Mr. (now Sir) H. M. Allan, passed a Resolution in favour of " a fair and wide measure of reciprocal trade with the United States." In the Commons on May 1st of this year, also, Mr. J. Douglas Hazen, who was 20 years later Premier of New Brunswick, said: " I believe that if a fair Reciprocity Treaty can be effected along the lines of the old Treaty of 1854, it will be of considerable benefit to both countries and that it will meet with favour from all parties in the Dominion of Canada." All this and much more was said in those years and widely quoted in 1911. It only proved, of course, that new conditions create changed convictions and fresher ideals, but it served, nonethe-less, as justifiable party literature.

Meanwhile, what of the Conservative appeal to history? They claimed that, while both parties up to a certain period in Canadian development had deemed Reciprocity desirable and helpful, the Conservatives had never been willing to give much for little, or to put Canadian interests in jeopardy, or in competition with the greater forces of the United States. They declared that the Liberals had been willing to go any length to obtain closer trade relations with the United States and quoted Mr. Laurier's speech at the Hotel Vendome, Boston, on Nov. 17th, 1891, when, after repudiating the idea of closer Empire relations, he was asserted to have said: " It is absolutely absurd. I prefer the Yankee dollar to the British shilling, especially when the dollar is so near and the shilling is so far away." They instanced, in New Brunswick, the Hon. William Pugsley's statement of Feb. 12th, 1891, made at a banquet to Mr. Costigan when, after reviewing the possible conse-

quences of Unrestricted Reciprocity with the United States, he declared that "in a few years political union would follow such a policy." They quoted the Liberal Convention Resolution of 1893 which declared that the Macdonald Government did not really want Reciprocity in any form.

Finally, Sir Wilfrid Laurier and the Toronto *Globe* were declared to have also changed their minds in the years following the early Nineties and to have opposed Reciprocity just as the Conservatives had done in 1891 with the Unrestricted variety and were now doing in 1911. It was pointed out that on March 21, 1899, in the House of Commons, Sir W. Laurier said: "If we know the hearts and minds of our people at present I think I am not making too wide a statement when I say that the general feeling in Canada to-day is not in favour of Reciprocity." In the General Elections of 1900 and 1904 the Liberal Leaders had practically abandoned Reciprocity and eliminated the subject from their speeches. Speaking in the Commons on July 31, 1903, the Premier had introduced his National Transcontinental Railway measure with this comment: "Heaven grant that whilst we tarry and dispute the trade of Canada is not deviated to other channels and that an ever-vigilant competitor does not take to himself the trade that properly belongs to those who acknowledge Canada as their native or their adopted land. The best and most effective way to maintain friendship with our American neighbours is to be absolutely independent of them." At the Colonial Conference (May 7) of 1907 Sir Wilfrid was quoted as saying that "there was a time when we wanted Reciprocity with the United States, but our efforts and our offers were put aside and negatived. We have said good-bye to that trade and we now put all our hopes upon the British trade." Moreover, on Oct. 2, 1902, the Toronto *Globe* had declared, editorially, that "nobody is worrying about Reciprocity with the United States"; on Dec. 21, 1909, it had stated that "stability and continuity of Tariff policy" were essential to prosperity; in his Western tour of 1909 the nearest Sir W. Laurier would get to Reciprocity was the promise of a Royal Commission to inquire into Tariff conditions.

Such was the historical environment, in a fiscal sense, which met the revival of Reciprocity and the negotiations for a Treaty in the first month of 1911. There was, in a national sense, the further complication represented by a sort of sub-conscious resentment in many Canadian minds as to United States treatment of the Provinces and the Dominion in many and varied matters. Of these the abrogation of the 1854 Treaty was only one; the invasions of 1774 and 1812, the raids of 1837, and the sharp, shrewd treaty negotiations of other dates, were too distant to be more than unpleasant and occasional memories; the Fenian Raids, the Atlantic Fishery and Behring Sea and Alaskan boundary disputes were more recent and more irritating matters.

Reference was frequently made by the Liberal press to the past hundred years of peace on this Continent, to the absence of guns and forts on the international frontier, to the Rush-Bagot Convention by which gun-boats were to be practically excluded from the Great Lakes. It was pointed out by a part of the Conservative press in reply that the latter condition was only nominal and that in reality the United States now had nine or ten ships of more than gun-boat proportions on the Lakes and could command the situation in the event of war. As to the rest Lieut.-Col. J. P. McPherson, in the Montreal *Star* of Aug. 31, stated that "the Americans have a fort at Sault Ste. Marie which commands our locks there. They are putting Fort Mackinac in repair which will block the entrance to Lake Michigan and with Fort Wayne at Detroit, will control Lakes Huron, St. Clair and Erie. They have Fort Niagara to threaten the Welland Canal. They have recently built a strong fort at Oswego to protect that entrance to the Erie Canal and dominate Lake Ontario, and have paid $100,000 for the demolition of buildings which interfered with the range of guns. They have a strong fort on Lake Champlain and large barracks at Plattsburg and Fort Ethan Allen from which they can operate against Montreal and destroy our system of canals. To offset these preparations we have not a single war vessel or a single fort."

The matter of history and environment included one other most important condition which may be indicated in the following table of statistics dealing with Canada as it was in the year after the United States abrogation of Reciprocity had helped to drive the British Provinces into Confederation; in the year 1888 when conditions of prosperity on the American side and of depression on the Canadian side had evolved the Unrestricted Reciprocity agitation which was defeated in 1891; in the year 1910 when the growth of Canada made closer trade relations not an unpleasant subject for United States consideration and when the negotiations of the succeeding year were informally initiated:

Particulars.	1868.	1888.	1910.
Area, in square miles	662,148	3,729,665	3,729,665
Population	3,371,594	4,688,147	7,200,000
Paid-up Capital of Chartered Banks	$30,289,048	$60,168,010	$98,728,342
Assets of Chartered Banks	77,872,257	244,975,223	1,230,825,305
Deposits in Chartered Banks	37,678,571	164,707,049	886,417,552
Total Dominion Revenue	13,687,928	35,908,464	101,503,711
Fire Insurance in Force	188,359,809	650,735,059	2,034,276,740
Life Insurance in Force	35,680,082	211,761,583	856,113,059
Mineral Production	(Not Recorded)	12,518,894	105,040,953
Number of Post Offices	3,638	7,671	12,387
Railway Mileage	2,270	12,585	24,731
Gross Railway Earnings	$12,116,716	$42,159,152	$173,956,217
Total Tonnage of Shipping	12,982,825	34,006,587	101,318,919
Total Imports	73,459,644	110,894,630	391,852,692
Total Exports	57,567,888	90,203,000	301,358,529
	(1860)	(1880)	(1910)
Estimated Value of Field Crops	96,701,643	158,403,533	507,000,000
	(1870)	(1889)	(1909)
Yield of Fisheries	6,577,000	17,655,000	29,629,000
	(1897)	(1907)	(1910)
British Investments in Canada	$583,000,000	$1,312,000,000	$2,000,000,000

From the United States point of view there was, also, an historical environment to this question—apart from what has been already indicated. Population was growing greatly by the accession of not always desirable classes from continental Europe; 600,000 of the best elements in the community had migrated to Western Canada; capital to the extent of an estimated $400,000,000 had been put into Canadian industrial development while about 200 branches of United States industrial concerns had in recent years located in the Dominion; the import by the Republic of crude material for manufacturing had undergone a steady increase from 21·6 per cent. of its total import in 1890 to 36·4 per cent. in 1910; the growing need for new markets was obvious in the increased export of manufactures from 15·7 per cent. of the total United States product in 1890 to 29·2 per cent. in 1910. The struggle for existence had grown keen and the vast resources and unoccupied lands of Canada become a large and vital factor in future Continental development; while enhanced prices and the mounting cost of living had made high Protection somewhat unpopular and had lessened the prestige of Republican party policy and rule. These were the United States conditions, in brief, which led up to the events of 1911.

Reciprocity Negotiations at Ottawa and Washington

The formal Reciprocity negotiations of this year really commenced in an informal way during the preceding year and in connection with the agreement as to Franco-Canadian Treaty rates which was reached at Washington on Mch. 27, 1910, between President Taft, United States Secretary P. C. Knox, and Messrs. W. S. Fielding and G. P. Graham of the Canadian Government. On Feb. 27, 1910, Mr. Bryce, British Ambassador at Washington, had intimated that the British Government would like the United States to undertake any proposed trade negotiations direct with Ottawa; on March 3-10 a United States Delegation composed of H. C. Emory and C. M. Pepper visited the Canadian capital; on Mch. 18th Mr. Fielding discussed the French Treaty entanglement with President Taft at Albany, Earl Grey, Governor-General of Canada, attended a banquet in the evening and said much of "reciprocal sympathy," while the President spoke of "friendship for mutual benefit." On the 20th Dr. J. A. Macdonald of the Toronto *Globe*, who had been in Washington conducting informal negotiations in a private capacity and with a view to friendly trade and tariff arrangements, made public in his paper a "message" from the President of the United States assuring the people of Canada that: "It is my deliberate purpose to promote in such ways as are open to me better trade relations between the United States and Canada than at present exist. I am profoundly convinced that these two countries, touching each other for more than 3,000 miles, have common interests in trade and require special arrangements in legislation and administration which are not

involved in the relations of the United States with countries beyond the Seas."

A week later Mr. Fielding wrote to Mr. Secretary Knox that the Agreement just come to—in the re-arrangement of Canadian duties so as to meet in a compromise way the United States demands under the French Treaty and assure to Canada the United States Minimum tariff rates—encouraged the hope for " more intimate and expanded " trade relations. He added an expression of the Canadian Government's desire to take up " the consideration of a re-adjustment of these relations upon broad and liberal lines." On Apl. 7th Mr. Bryce wrote to Lord Grey a letter of congratulation upon the settlement of the question at issue; on May 2 President Taft referred, in a speech at Pittsburg, to the " peculiar relations " existing between the United States and Canada as justifying " a different policy as to imports and exports " from that which obtained with other countries.

Formal negotiations for Reciprocity opened at Ottawa on Nov. 4th, 1910, between C. M. Pepper, Henry M. Hoyt, and J. G. Foster representing the Washington Government and Messrs. W. S. Fielding and William Paterson representing that of Canada. There were four sittings of about six hours each and on the 10th an adjournment was made to meet at Washington early in January. On the following day the Toronto *Globe* stated editorially that: " It is certain that Mr. Fielding and Mr. Paterson will consent to no serious lowering of Canadian duties in return for the free entry of Canadian lumber, ores, wood-pulp and similar things into the United States. The free entry of articles of that sort is almost certain to form part of any tariff measure which can become law in the United States during the next two years, and that without any reference to Canada's tariff. The Dominion is not going to pay for United States tariff reductions that would be made as a matter of course and without negotiation." In his annual Message to Congress on Dec. 6th President Taft stated that the Dominion Government had reciprocated in October his own desire for continued negotiations by a definite request to that end. Hence the Conference of November.

The Conference was resumed at Washington on Jan. 7th, 1911, amid considerable local speculation and some Canadian political interest; but with little expectation or thought in Canada of any practical result. There had been so many useless " pilgrimages to Washington " and there had grown up such a strong, confident self-reliance amongst the Canadian people that Reciprocity appeared to be a theoretical subject of discussion rather than an actual possibility. Despatches from Washington in the Canadian press, however, seemed to indicate to the political student a new state of affairs—a determination on the part of the President to do something to meet a situation in which the Democrats had obtained control of the ensuing House of Representatives and expected to

get that of the Senate after the current Session. The border States were favourable to Reciprocity, the Democrats as a party were demanding lower duties, and many, in all parties, looked with favour upon any suggestion of removing the tariff on food products. Americans connected with the negotiations or associated with the President's plans were confident of success. Mr. C. M. Pepper, Tariff Expert of the United States Government, expressed confidence on Jan. 6th that a Treaty would result from the Conference; Mr. W. Alden Smith, Chairman of the Senate Committee on Canadian Relations, said on the same date: "I cannot express too strongly my desire for the establishment of a Reciprocity Treaty between the United States and Canada. In their national relations, as sister nations, an approximate commercial identity should be aimed at." Officials and close friends of the Taft Administration all appeared eager to have an Agreement effected and all spoke of the pending Conference with optimism. Messrs. Fielding and Paterson arrived in Washington on Jan. 7th and discussion seems to have commenced at the State Department immediately with C. M. Pepper and Chandler P. Anderson of the Treasury Department as the direct United States representatives, with Mr. Secretary Knox, who really controlled the American part of the negotiations, for, and on behalf of, the President.

The negotiations from the beginning were absolutely secret although there were many and varied speculations as to duties which might, could or would be removed or changed. It afterwards became clear that there was a practical agreement amongst the negotiators that (1) a measure of Reciprocity was desirable; that (2) the purpose of the Conference was to draw up a definite agreement which should avoid any sweeping reduction in duties on manufactured goods; that (3) a list of specified articles was ready on both sides for consideration in which were included foodstuffs, pulp-wood, agricultural machinery, paper, fish, and coal; that (4) Canadian opinion in one respect was fairly well understood at Washington and that no expectation existed of a manufacturing arrangement though there was hope of the present proposals being expanded at a later period. There was little public interest taken in the negotiations at Washington. A few politicians discussed them in interviews but the press was concerned chiefly in the obtaining of free pulp-wood for its paper mills. The details were unknown and discontent was not yet aroused while the parties and political sections did not know where they were to stand in the matter.

On Jan. 11th the Canadian Ministers called to their aid two Departmental assistants—John McDougald, Deputy Minister of Customs, and J. M. Russell of the Finance Department—and it was announced by the Toronto *Globe* correspondent that the United States proposals were unexpectedly broad and comprehensive. Meanwhile, Messrs. Fielding and Paterson had been joined

in Washington by Sir Allen Aylesworth, Minister of Justice, and Mr. L. P. Brodeur, Minister of Marine, who came to consult with the United States authorities as to Fisheries regulations under the recent Hague Award; by Hon. G. P. Graham, Minister of Railways, who was discussing with the Inter-State Commerce Commission the formation of an international Railway organization; and by Mr. Mackenzie King, Minister of Labour, who was announced to speak before the Civic Federation. All were, no doubt, deeply, though indirectly, interested in the Reciprocity negotiations. By the 16th it appeared from the mixed-up and diverse press reports that some conclusion had really been arrived at in the continuous discussion of the past week and a curious despatch appeared on that date in the Montreal *Star* which after events made significant. After stating that the American and Canadian negotiators were being deluged with suggestions regarding the Tariff situation the correspondent went on as follows: "Nearly every man who sees President Taft or Secretary Knox on the subject makes strong representations as to what he wants done. In the case of Mr. Fielding, the people most anxious and persistent in pressing their views are those who want nothing done."

On Jan. 18th Mr. Pepper told a Canadian press representative that there would be a Treaty "satisfactory to both countries" and on the following day it was understood that the arrangement had been practically made, subject to approval by the Governments and Legislatures concerned. The conclusion of the Conference took place on the 21st when an official announcement was made as to the fact of an Agreement while details were promised for the 26th. As finally made public the arangement was in the form of an Agreement, stated in official correspondence of Jan. 21, 1911, which enclosed approved schedules of specific rates to be presented by the Governments concerned to their respective legislative bodies for acceptance. The following are the salient and essential clauses of the correspondence—(1) in a letter signed by Messrs. Fielding and Paterson and addressed to Mr. Secretary Knox and (2) in a reply signed by Mr. Knox and addressed to the two Canadian Ministers:—

I. The Canadian Letter.

The negotiations initiated by the President several months ago through your communications to His Excellency, the British Ambassador, respecting a reciprocal tariff arrangement between the United States and Canada and since carried on directly between representatives of the Governments of the two countries have now, we are happy to say, reached a stage which gives reasonable assurance of a conclusion satisfactory to both countries. We desire to set forth what we understand to be the contemplated arrangement and to ask you to confirm it.

It is agreed that the desired tariff changes shall not take the formal shape of a treaty but that the Governments of the two countries will use their utmost efforts to bring about such changes by concurrent legislation at Washington and Ottawa. The Governments of the two countries having made this Agreement from the conviction that, if confirmed by the necessary legislative authorities, it will benefit the people on both sides of the

border-line, we may reasonably hope and expect that the arrangement, if so confirmed, will remain in operation for a considerable period. Only this expectation on the part of both Governments would justify the time and labour that have been employed in the maturing of the proposed measure. Nevertheless, it is distinctly understood that we do not attempt to bind for the future the action of the United States Congress or the Parliament of Canada, but that each of these authorities shall be absolutely free to make any change of tariff policy or of any other matter covered by the present arrangement that may be deemed expedient. We look for the continuance of the arrangement not because either party is bound to it, but because of our conviction that the more liberal trade policy thus to be established will be viewed by the people of the United States and Canada as one which will strengthen the friendly relations now happily prevailing and promote the commercial interests of both countries.

With respect to the discussions that have taken place concerning the duties upon the several grades of pulp, printing-paper, etc.—mechanically ground wood-pulp, chemical wood-pulp, bleached and unbleached, newsprinting paper and other printing paper and board made from wood-pulp of the value not exceeding four cents per pound at the place of shipment—we note that you desire to provide that such articles from Canada shall be made free of duty in the United States only upon certain conditions respecting the shipment of pulp-wood from Canada. It is necessary that we should point out that this is a matter in which we are not in a position to make any agreement. The restrictions at present existing in Canada are of a Provincial character. They have been adopted by several of the Provinces with regard to what are believed to be Provincial interests. We have neither the right nor the desire to interfere with the Provincial authorities in the free exercise of their constitutional powers in the administration of their public lands. The provisions you are proposing to make respecting the conditions upon which these classes of pulp and paper may be imported into the United States free of duty must necessarily be for the present inoperative. Whether the Provincial Governments will desire to in any way modify their regulations with a view to securing the free admissions of pulp and paper from their Provinces into the markets of the United States must be a question for the Provincial authorities to decide. In the meantime the present duties on pulp and paper imported from the United States into Canada will remain. Whenever pulp and paper of the classes already mentioned are admitted into the United States free of duty from all parts of Canada, then similar articles, when imported from the United States, shall be admitted into Canada free of duty.

II. THE UNITED STATES LETTER.

I have the honour to acknowledge the receipt of your communication of this date in relation to the negotiations initiated by the President several months ago for a reciprocal trade arrangement between the United States and Canada, in which you set forth and ask me to confirm your understanding of the results of our recent conferences in continuation of those negotiations. I take great pleasure in replying that your statement of the proposed arrangement is entirely in accord with my understanding of it. It is a matter of some regret on our part that we have been unable to adjust our differences on the subject of wood-pulp, pulp-wood and print-paper. We recognize the difficulties to which you refer growing out of the nature of the relations between the Dominion and Provincial Governments and for the present we must be content with the conditional arrangement which has been proposed in Schedule "A" attached to your letter.

I fully appreciate the importance, to which you call attention, of not permitting a too rigid Customs administration to interfere with the successful operation of our Agreement, if it is approved by the Congress of the United States and the Parliament of Canada, and I desire to confirm your statement of our understanding on this point. I am satisfied that the spirit evinced on both sides gives assurance that every effort will be

made to secure the full measure of benefit which is contemplated in entering into this arrangement. The assurance that you give that the Dominion Government proposes to require only a nominal fee from the fishing vessels of the United States for the privilege in Canadian waters for which heretofore a charge of $1.50 per ton for each vessel has been required is most gratifying. I heartily concur in your statement of the purposes inspiring the negotiations and in the views expressed by you as to the mutual benefits to be derived by both countries in the event our work is confirmed, and I take this opportunity to assure you, on behalf of the President, of his appreciation of the cordial spirit in which you have met us in these negotiations.

In the Canadian part of the correspondence paragraphs five to nine, inclusive, merely specified the Schedules under which was given (*a*) the long list of products or articles to be admitted free into both countries; (*b*) similar lists of articles on which duties were materally lowered or re-arranged but not abolished; (*c* and *d*) Special Items. The concluding paragraphs of the letter referred to the proposal for conciliatory customs regulations and a reduction in Fishing licenses on the Atlantic Coast to which Mr. Secretay Knox referred in his reply. It was also provided that the Agreement was to be submitted to the United States Congress and the Dominion Parliament simultaneously and that it need not come into operation in either country until it became law in the other. The Schedules were as follows and indicate what a wide ground the arrangement covered and the importance of the issues involved:—

SCHEDULE "A."—FREE ADMISSION TO BOTH COUNTRIES.

Live animals, viz.: cattle, horses and mules, swine, sheep, lambs, and all other live animals; Poultry, dead or alive.

Wheat, rye, oats, barley, and buckwheat; dried pease and beans, edible; corn, sweet corn or maize; Hay, straw and cow-pease; Fresh vegetables, viz., potatoes, sweet potatoes, yams, turnips, onions, cabbages and all other vegetables in their natural state; Fresh fruits, viz.: apples, pears, peaches, grapes, berries and all other edible fruits in their natural state; Dried fruits, viz.: apples, peaches, pears, and apricots, dried, desiccated or evaporated; Dairy products, viz.: butter, cheese, and fresh milk and cream; Eggs, of barnyard fowl, in the shell; Honey; Cotton-seed oil; Seeds, viz.: Flaxseed or linseed, cotton-seed, and other oil seeds; grass seed, including timothy and clover seed; garden, field and other seed not herein otherwise provided for, when in packages weighing over one pound each (not including flower-seeds).

Fish of all kinds, fresh, frozen, packed in ice, salted or preserved in any form, except sardines and other fish preserved in oil and shell fish of all kinds, including oysters, lobsters and clams in any state, fresh or packed, and coverings of the foregoing; seal, herring, whale, and other fish oil including cod oil.

Salt. Mineral waters, natural, not in bottles or jugs.

Timber, hewn, sided or squared otherwise than by sawing, and round timber used for spars or in building wharfs; sawed boards, planks, deals and other lumber, not further manufactured than sawed. Paving posts; railroad ties and telephone, trolley, electric light and telegraph poles of cedar or other woods; wooden staves of all kinds, not further manufactured than listed or jointed, and stave-bolts, pickets and palings.

Plaster rock or gypsum, crude, not ground; mica, manufactured or rough-trimmed only, and mica ground or bolted; feldspar, crude, powdered or ground; asbestos not further manufactured than ground; Fluorspar,

crude, not ground; glycerine, crude not purified; talc, ground, bolted, or precipitated and naturally or artificially, not for toilet use; sulphate of soda, or salt cake and soda ash; extracts of hemlock-bark; carbon electrodes.

Brass in bars and rods, in coil or otherwise, not less than six feet in length, or brass in strips, sheets or plates, not polished, planished or coated; cream separators of every description and parts thereof imported for repair of the foregoing; rolled iron or steel sheets, or plates, number fourteen gauge or thinner, galvanized or coated with zinc, tin or other metal, or not; crucible cast-steel wire valued at not less than six cents per pound; galvanized iron or steel wire, curved or not, numbers nine, twelve, and thirteen wire gauge; type-casting and type-setting machines and parts thereof, adapted for use in printing offices; barbed fencing wire of iron or steel, galvanized or not; coke; round-rolled wire rods in the coil of iron or steel, not over three-eighths of an inch in diameter and not smaller than number six wire gauge.

Pulp-wood mechanically ground; pulp of wood, chemical, bleached or unbleached; newsprint paper, and other paper, and paper board manufactured from mechanical wood-pulp or from chemical wood-pulp, or of which such pulp is the component material of chief value, coloured in the pulp, or not coloured, and valued at not more than four cents per pound, not including printed or decorated wall-paper; provided that such paper and board valued at four cents per pound or less and wood-pulp being the products of Canada when imported therefrom directly into the United States shall be admitted free of duty, on the condition precedent that no export duty, export license fee, or other export charge of any kind whatsoever (whether in the form of additional charge or license fee or otherwise) or any prohibition or restriction in any way of the exportation (whether by law, order, regulation, contractual relation or otherwise, directly or indirectly) shall have been imposed upon such paper, board or wood-pulp, or the wood used in the manufacture of such paper, board or wood-pulp, or the wood-pulp used in the manufacture of such paper or board; provided also that such wood-pulp, paper or board, being the products of the United States, shall only be admitted free of duty into Canada from the United States when such wood-pulp, paper or board, being the products of Canada, are admitted from all parts of Canada free of duty into the United States.

It is also understood that fish-oil, whale-oil, seal-oil and fish of all kinds, being the product of fisheries carried on by the fishermen of the United States shall be admitted into Canada as the product of the United States and similarly that fish-oil, whale-oil, seal-oil and fish of all kinds, being the product of fisheries carried on by the fishermen of Canada shall be admitted into the United States as the product of Canada.

SCHEDULE "B."—LOWER AND IDENTICAL DUTIES.

Fresh meats; bacon and hams not in tins or jars; meats of all kinds, dried, smoked or salted; canned meats and poultry; extract of meat; lard and compounds thereof and tallow; egg yolk, egg and blood albumen; Fish (except shell-fish) packed in oil, or in tin boxes or cans; tomatoes and other vegetables, including corn in cans or other air-tight packages; wheat flour and semolina and rye flour, oatmeal and rolled oats, corn meal.

Barley malt; barley pot, pearled and patent; buckwheat flour or meal; split pease, dried and prepared cereal foods; bran middlings; macaroni and vermicelli; biscuits, wafers and cakes when sweetened; Biscuit wafers, cakes, and other baked articles when combined with chocolate, nuts, fruits, or confectionery; also candied peel; candied pop-corn, candied nuts, candied fruits or sugar candy and confectionery of all kinds; maple sugar and maple syrup; pickles, including pickled nuts, sauces of all kinds, and fish paste or sauce; cherry juice and prune juice or prune wine, and other fruit juices and fruit syrup, non-alcoholic; Mineral waters and imitations of natural waters; essential oils; grape vines; gooseberry, raspberry and currant bushes.

Farm waggons, and finished parts thereof; ploughs, tooth and disc harrows, harvesters, reapers and other agricultural implements; grindstones of sandstone; freestone, granite, sandstone, limestone and other monumental or building stone; roofing slates; vitrified paving blocks, not ornamental, and paving blocks of stone; oxide of iron, as a colour; asbestos further manufactured than ground, manufactures of asbestos or articles of which asbestos is the component material or chief value, including woven fabrics wholly or in chief value of asbestos; printing ink; cutlery, plated or not; bells and gongs; brass corners and rules for printer; basins, urinals and other plumbing fixtures; bath-tubs, sinks and laundry tubs; brass band instruments; clocks, watches, time recorders, clock and watch-keys, clock cases and clock movements; printers' wooden cases and cabinets, wood floor; canoes and small boats of wood; feathers, crude and not dressed; antiseptic, surgical dressings; surgical trusses, pessaries and suspensory bandages of all kinds; plate glass, not bevelled, in sheets or panes, motor vehicles other than for railways and tramways and automobiles and parts thereof, not including rubber tire; iron or steel digesters for the manufacture of wood-pulp; musical instrument cases, fancy cases or boxes, purses, etc., composed wholly or in chief value of leather.

SCHEDULE "C."—SPECIAL RATES INTO UNITED STATES.

Aluminum in crude form; aluminum in plates, sheets, bars and rods; laths, shingles, sawed boards, planks, deals and other lumber; iron-ore; coal slack or culm of all kinds.

SCHEDULE "D."—SPECIAL RATES INTO CANADA.

Cement, Portland, and hydraulic, or water lime; fruit trees.
Condensed milk; biscuits without added sweetening; fruits in air-tight cans; peanuts, coal, bituminous, round and run of mine.

Presentation of Agreement to Parliament and Congress

It could not be said on Jan. 26th when Mr. Fielding, Minister of Finance, the Canadian father of the Reciprocity Agreement, presented the result of the negotiations with the United States to Parliament that there was any lack of interest in the subject. Canada was beginning to be aroused, apathy in the consideration of what so many had thought to be merely an abstract subject of discussion had vanished, Reciprocity was now a political, international, and individual factor, the keenest interest was everywhere felt in the still-unknown terms of the Agreement and this interest was reflected in a House of Commons filled with alert members, and galleries packed by interested crowds. The correspondent of the Montreal *Herald* (Lib.) described the House as aware, within ten minutes, that history was being made. "The limited list had swelled and swelled and swelled and as it grew to the proportions of a nation's commerce, and members leaned forward to catch every word, triumph was written on the faces of the Liberals and dismay painted on the visages of the Opposition. There was not much cheering. Interest was too keen to tolerate interruption. But there were occasions when enthusiasm mastered curiosity. Free fish, free wheat, oats, barley, and buckwheat, free potatoes, free dairy products and free hay conceded by the United States brought forth a tumult of appreciation which for a moment halted the Fin-

reached between the Inter-State Commerce Commission and a similar body in Canada as to through rates on transportation lines in the two countries; and proceeded as follows: "The path has thus been opened for the improvement of commercial relations and a reciprocal trade agreement is the logical sequence of all that has been accomplished in disposing of matters of a diplomatic and controversial character. The identity of interest of two peoples linked together by race, language, political institutions and geographical proximity offers the foundation. . . . The contribution to the industrial advancement of our own country by the migration across the boundary of the thrifty and industrious Canadians of English, Scotch and French origin is now repaid by the movement of large numbers of our own sturdy farmers to the North-West of Canada, thus giving their labour, their means, and their experience to the development of that section with its agricultural possibilities."

The value of Canada's rich reserves of production to the American manufacturer and consumer was then broadly indicated: "We have drawn upon our natural resources in such a way as to invite attention to their necessary limit. This has properly aroused efforts to conserve them, to avoid their waste and to restrict their use to our necessities. . . . A far-sighted policy requires that, if we can enlarge our supply of natural resources and especially of food products and the necessities of life, without substantial injury to any of our producing and manufacturing classes, we should take steps to do so." The importance of action at the present juncture was intimated in terms which were afterwards amplified in a more famous utterance: "The Dominion has greatly prospered. It has an active, aggressive and intelligent people. They are coming to the parting of the ways. They must soon decide whether they are to regard themselves as isolated permanently from our markets by a perpetual wall, or whether we are to be commercial friends." The President did not think that prices would be greatly affected by the Agreement or the cost of food products be largely or at once reduced. "Excluding the element of transportation, the price of staple food products, especially of cereals, is much the same the world over, and the recent increase in price has been the result of a world-wide cause." But the arrangement would help to steady local prices and prevent speculative fluctuations. As to industrial products he described conditions in both Canada and the States, in respect to protection of manufactures and labour, as being the same. "This has made it difficult to extend the principle of reciprocal rates to many manufactured commodities, but, after much negotiation and effort we have succeeded in doing so in various and important instances. The benefit to our widespread agricultural implement industry from the reduction of Canadian duties in the Agreement is clear; similarly the new, widely-distributed and

expanding motor-vehicle industry of the United States is given access to the Dominion market on advantageous terms."

Upon the important and afterwards much-discussed (in Canada) subject of transportation, the President was explicit: "The currents of business and the transportation facilities that will be established forward and back across the border cannot but inure to the benefit of the boundary States." He declared that the Agreement would not interfere with "such revision of our own tariff on imports from all countries as Congress may decide to adopt," and concluded with the following summary of the situation: "This trade agreement, if entered into, will cement the friendly relations with the Dominion which have resulted from the satisfactory settlement of the controversies that have lasted for a century, and further promote good feeling between kindred peoples. It will extend the market for numerous products of the United States among the inhabitants of a prosperous neighbouring country, with an increasing population, and an increasing purchasing power. It will deepen and widen the sources of food supply in contiguous territory and will facilitate the movement and distribution of these foodstuffs. The geographical proximity, the closer relation of blood, common sympathies and identical moral and social ideas furnish very real and striking reasons why this Agreement ought to be viewed from a high plane." It may be added here that, statistically, the concessions of the two countries under the Agreement were officially given as follows:

Total Canadian Concessions.	Imports into Canada from United States.	Duties now Levied by Canada.	Duties to be Remitted by Canada.
Schedule "A".....	$21,957,605 00	$1,476,129 13	$1,476,129 13
Schedule "B".....	14,111,955 00	3,142,716 91	577,876 81
Schedule "D".....	11,758,399 00	3,157,390 15	506,573 10
Grand Total...	$47,827,959 00	$7,776,236 19	$2,560,579 04

Total United States Concessions.	Imports into United States from Canada.	Duties now Levied by United States.	Duties to be Remitted by United States.
Schedule "A".....	$39,811,560 00	$4,236,988 00	$4,236,988 00
Schedule "B".....	1,619,675 00	444,519 00	234,984 00
Schedule "C".....	5,901,923 00	968,309 00	377,961 00
Grand Total...	$47,333,158 00	$5,649,816 00	$4,849,933 00

Canadian Opinion of the Agreement; Independent Hostility to Reciprocity.

Pending the announcement of exact terms on January 26th and a full realization of the fact that Reciprocity had to be considered in reality, and not as a theory, public opinion in Canada was fluid in form and not clearly expressed as to principle. Sir George W. Ross, formerly Liberal Premier of Ontario, had, it is true, on Nov. 3rd, 1910, given the lead to much of the ensuing opposition to Reciprocity in any form, or as a

national policy, at the existing juncture. His masterly address on that occasion summed up the situation so far as the United States was concerned in the claim that coercion having failed to bring about the annexation of Canada, commercial privileges were to be adopted as a new and advanced method for the same end.

He expressed certain definite and important lines of belief: (1) That if the United States market were freely opened to Canadian wheat "it would be impossible to maintain its identity in passing through American elevators and Canada would be the loser to the extent of any reduction in price"; (2) that Manitoba flour, with rare exceptions, obtained a better price in England than United States flour and under Reciprocity the mixture of superior and inferior brands would destroy the Canadian advantage; (3) that in the same way, Canadian cheese after years of experiment and large expenditure of money had driven American cheese out of the British market—"how could this pre-eminence be preserved, if Canadian cheese passed through the hands of American shippers over the border?"; (4) that conservation of Canadian resources such as lumber would become impossible; (5) that United States railways, elevators, steamers and ports would largely replace Canadian in the handling of Canadian commerce; (6) that any treaty made would affect Canada's fiscal freedom; (7) that Canada was prosperous and did not need Reciprocity; (8) that United States Reciprocity in wheat would make a British preference impossible.

Following this utterance the Berlin Board of Trade and those of Brockville and Oshawa on Jan. 12th, 1911, with that of Port Arthur on the following day had protested against the negotiation of any Reciprocity Treaty. On the 5th the Hon. Clifford Sifton, at London, declared that Reciprocity would prevent the conservation of Canadian timber and at Montreal on the 9th dealt with the general condition as follows: "Must not our trade, our business, our very life become intermingled, so that we shall become dependent upon them? What must follow in the natural course of events but political union?" Before the Chatham Board of Trade, on the same day, Mr. Wallace Nesbitt, K.C., had opposed Reciprocity in a speech of strong argument and had urged lower duties upon British goods. Mr. W. J. Gage, President of the Toronto Board of Trade, proclaimed himself at the annual meeting of his Board on Jan. 19th as strongly opposed to such a policy—there was no need for it and such reduction in the United States tariff as was wanted would come anyway. These utterances, however, were only preliminary and they seemed to many an almost academic consideration of the subject.

When the anouncements of Jan. 26th were made public opinion and even party opinion was still therefore nebulous. There were Liberal members of Parliament who were alarmed at the scope and nature of the Agreement; there were Conservative members who

looked for certain defeat in their constituencies if they opposed it. The press, though in the main dividing upon party lines, had also a number of exceptions. The Ottawa *Citizen* and Ottawa *Journal,* and the Kingston *Standard* mildly approved Reciprocity; the Victoria *Colonist* and Winnipeg *Telegram* mildly condemned it. The statement of the *Journal* on Jan. 27th was as follows: "The acceptance by the United States Cabinet of such an Agreement is, frankly speaking, a staggering surprise. If Congress accepts it an excellent thing, we think, will have been accomplished for this country." On May 9th, after President Taft's "parting of the way" speeches had sunk into the public mind, this paper frankly confessed to the opinion that a new issue had developed—more important than one of mere trade. These were normally Conservative papers. The Toronto *Globe,* Montreal *Herald,* Winnipeg *Free Press,* London *Advertiser,* and Halifax *Chronicle,* amongst Liberal papers, were enthusiastic in their eulogies of the Agreement in both principle and policy. *La Presse* of Montreal (Lib.) said on Jan. 27th that "the principal characteristic of the new arrangement is that it is a step towards free-trade, because concessions accorded to the United States must also be given to such countries as share in the favoured-nation treaties and it tends, too, towards a general reduction of the tariff. The Government has drawn back from the policy of protection which has prevailed for thirty years in Canada." *La Patrie* (Lib.) of Montreal did not like the policy and the Nationalist journals were rather uncertain. For a brief interval, also, the Ottawa *Free Press,* the Government organ at the capital, felt very doubtful as to results and on Jan. 28 said: "Unless the Dominion Government is prepared immediately to increase the British preference, the step which Canada is asked to take is a grave one, indeed. . . . In the opinion of the *Free Press* the removal or reduction of the tariff against England should precede, not follow, reciprocity with the United States."

At the first glance it was believed that the Agreement would commend itself to certain great interests. The Western farmers would, clearly, welcome a free United States market for wheat and oats; the farmers of Ontario were said—even by the Toronto *News* of Jan. 27th—to desire the removal of American customs duties on live-stock, dairy products, vegetables, eggs, etc.; the Quebec *habitants* would, it was thought, appreciate a neighbouring free market for hay, vegetables, and dairy products; free fish would naturally be an attraction to the Maritime Provinces. On the other hand it was obvious that there would be a great disturbance in Canadian trade and transportation interests generally, in the flour-milling industry, in the supplies of lumber, poultry, bacon, and fruit to the Canadian West, in the prospect of a British preference. Despite all this a vigorous Conservative organ in Toronto represented much of the shifting, uncertain public opinion of the mom-

ent when it said on the day after the Parliamentary announcement: "Under all the circumstances, however, *The News* recognizes that Washington has offered terms which it is difficult for Canada to reject, although we frankly regret that our trade is to be turned into American rather than into Imperial channels and that Canadian raw material must be sacrificed, and some important Canadian enterprises prejudiced, by an Agreement which, whatever its advantages, may have results in the long future far more vital to the national life and our Imperial connection than we can now foresee."

Opposition soon stiffened, however, and *The News* itself became, almost at once, a conspicuously able and aggressive opponent of the whole policy. Its arguments covered the entire field of anti-Continentalism and of pro-British thought and policy. Reciprocity was described as an attempt at national suicide. The Agreement had no element of permanence, it was a policy of commercial separation from the Empire, the issue was one of a united or divided Canada, Dominion transportation interests were to be sacrificed to Mr. J. J. Hill and his Great Northern. The most notable of a series of leading articles along these lines were published on Jan. 31, Feb. 2nd, Feb. 4th, Feb. 7th, Feb. 27, Mch. 13, Apl. 4, and Apl. 18. The Montreal *Star* was equally vigorous in its attitude and on Feb. 4th published a full-page editorial appeal to Sir Wilfrid Laurier as "the one man who can save Canada." He was told that Reciprocity was an American trap into which the guileless Canadian emissaries had fallen and that Confederation would be cut at a dozen vital points; that the diversion of food exports from East and West lines to the South would shatter the steel frame-work of the Dominion, isolate the Provinces by the sea and negative their industrial future; that Quebec would become the back-yard and lumber camp of New England and the West look to Chicago and St. Paul instead of Toronto and Ontario; that the protective tariff on manufactures would soon follow the rest and Canadian railways become mere feeders to the Hill system; that the ultimate end would be Annexation. The following is a summary of opposing expressions of public opinion as they developed in number and grew in strength:

Jan. 13.—A Delegation representing the Canadian Manufacturers Association, led by W. H. Rowley, President, lays before the Government of Canada an elaborate Memorial reviewing many reasons for opposing Reciprocity.

Jan. 27.—The Orillia Board of Trade passes a Resolution declaring the present time inopportune for a Reciprocity arrangement.

Jan. 27.—R. S. Gourlay, President Toronto Board of Trade (Lib.), refers to American strength and ambitions and states in the press: "I dread the influence and the fruitage of this influence from the standpoint of our national life and our present Imperial aspirations, even though the outcome of this great change in our tariff policy may be an increased financial prosperity."

Jan. 27.—J. W. Flavelle, of Toronto, states that Reciprocity will kill Inter-Provincial trade in Canada. "Western cattle will be marketed in Chicago in place of Toronto and Montreal. The cured hog products consumed west of the Great Lakes will be imported from Chicago and Western United States packing points. The egg, poultry and dairy products required for the West will be supplied from Chicago and other Western producing centres. The advantage in freight rates and the lower first cost of these lines in the United States will give all the Western trade to United States packers and dealers. In pork meats the 1¼ cent a pound duty will not offset the advantage in freight rates and lower cost of raw product enjoyed by Western States producers. Ontario will market her surplus eggs and dairy products, exclusive of cheese, in the Eastern States. The immediate effect will be to create North and South trading conditions in place of East and West."

Jan. 28.—The Toronto *Telegram* (Ind.-Cons.) commences a keen fight against Reciprocity with a leader declaring that "Laurier hauls down the flag of Canadianism in trade," that it is a question of Canadianism or Continentalism, and one of selling Canada's destiny for the hope of Cash.

Jan. 30.—The Montreal Produce Merchants Association passes a Resolution unanimously declaring that they "view with grave apprehension the proposed reciprocal Agreement, and would respectfully urge that the Government appoint a Royal Commission to take the evidence of farmers, producers, and dealers, and those interested generally, in order to ascertain their views and to learn to what extent they will be affected, before consummating the proposed Agreement."

Jan. 31.—At the annual meeting of the Montreal Board of Trade, after addresses from a number of prominent local men and upon motion of Huntley Drummond and Robert Meighen the following Resolution is passed by a vote of 60 to 44:

> That we believe that the sober sense of the country as a whole is against any change in the trade policy under which Canada has grown to her present admitted state of prosperity; That we consider it to be the bounden duty of every Canadian to resist to the last anything that might endanger our status as a component part of the British Empire, and that we fear such a treaty as proposed might easily prove to be the entering of a wedge that would eventually result in a separation of our interests from those of the Motherland.
>
> That we hereby record the unalterable opposition of this Board to the proposed Reciprocity treaty with the United States, which treaty would involve the country in dangers not yet fully realized; and we consider that the Government should first ascertain the opinion of the whole country on this question and receive a definite mandate thereon before committing it to a change so revolutionary as this reversal of its entire policy, threatening not only the trade, but also the more vital interests, of Canada as a nation.

Jan. 31.—President George L. Cains, of the Montreal Board of Trade, in his annual address to that body, denounces the Agreement as ruinous to the Port of Montreal, as possibly decreasing the price of Canadian products sent to the United States and increasing the cost of living here, as suicidal to the trade interests and Imperial aspirations of Canada.

Feb. 1.—The members of the Toronto Live Stock Exchange pass a Resolution opposing Reciprocity.

Feb. 3.—A Return presented to Parliament shows the Boards of Trade of Welland, Deseronto, Brampton, Sault Ste. Marie and Cobalt,

Seaforth, Perth, Brockville and Port Hope in Ontario, with Vancouver, B.C., as protesting against Reciprocity; also the Market Gardeners of Quebec Province and the Quebec, Montreal and London Shoe Manufacturers' Associations.

Feb. 6.—Mr. H. H. Dewart, K.C.—a Liberal who afterwards modified his views—writes to *The Globe* as follows: "I believe that the present proposals are reasonably calculated to bring about positive advantages to the Canadian farmer with a relative minimum of disturbance to manufacturing interests. But that is not the whole question. The proposals must be considered from the more important standpoint of their ultimate effect upon our national life and existence and their relation to Imperial diplomacy. It cannot be urged that there is any mandate from the people for such a sweeping fiscal change."

Feb. 7.—The Dominion Millers' Association passes a Resolution unanimously declaring its disapproval of Reciprocity so far as it concerned the Milling industry.

Feb. 10.—The Fruit-Growers of Eastern Canada in a Delegation of 2,000 men meet the Government at Ottawa and present a Memorial of vigorous protest against the Reciprocity Agreement as being ruinous to the Fruit industry of the Dominion.

Feb. 13.—A large Delegation of Ontario and Quebec Meat Packers wait upon the Government and Mr. J. W. Flavelle presents an elaborate Memorial declaring that their industry in Canada will be practically destroyed if the Agreement goes into operation.

Feb. 15.—F. W. Thompson, Vice-President and Managing-Director of the Ogilvie Flour Mills Company, Ltd., tells the press that "since the announcement of the terms of this Treaty prices of wheat have declined in the United States to practically an export level, the same as our own, owing to the fear of free wheat, thus justifying the statement made by President Taft that this policy would result in reducing the price of agricultural products in the United States. The adoption of any policy which has for its object the lowering of the prices for agricultural products must necessarily be detrimental to the farmers of both countries."

Feb. 16.—The Toronto Board of Trade upon motion of Sir Edmund Walker and J. W. Flavelle—after speeches also by W. F. Cockshutt for and J. E. Atkinson against—and by a vote of 302 to 13, passes the following Resolution:

> That the present unexampled prosperity of Canada is the result of the policy which has been pursued in the development of her trade and of her natural resources, and that any policy which would hamper the development of Canada's resources in her own way and by her own people, or which would check the development of trade between the various parts of Canada with each other or between Canada and the various parts of the Empire would be detrimental to the true interests of Canada and to Canadian nationality;
>
> That very large expenditures have been made upon railways, canals, steamships and other means of transportation between East and West and West and East, to promote such development and trade, and that the proposed Reciprocity agreement with the United States of America would seriously check the growth of such development and trade and would curtail Canada's freedom of action with respect to her tariff and channels of trade;
>
> That any present benefit to any section of Canada or to any interest therein which might accrue from said Agreement would be more than offset by the loss and injury to other sections and interests; that the proposed agreement would weaken the ties which bind Canada to the Empire; that to avoid the disruption of trade which after some years

under said Agreement would result were said Agreement terminated and a protective tariff against Canada established by the United States, Canada would be forced to closer trade relations with them, which would still further weaken those ties and make it more difficult to avert political union with the United States.

Be it resolved, that in the opinion of this Board the proposed Reciprocity agreement with the United States of America is opposed to the true interests of Canada, threatens Canadian nationality, and should not be consummated.

Feb. 16.—Mr. Hugh Blain, a Director of the Toronto *Globe*, writes a letter which is read at the Board of Trade meeting and in which he says: "The present time appears to be most inopportune, when conditions have adjusted themselves to the needs of every class, when prosperity has been distributed with reasonable fairness among all our people, for a leap like this in the dark."

Feb. 17.—The Executive of the Canadian Manufacturers Association issues a statement as to its reasons for opposing Reciprocity—giving the following as one of the strongest: "The proposed Agreement looks toward dependence upon the markets of the United States rather than towards the expansion of our home market which for years has demonstrated its ability to consume over 80 per cent. of all the farm products we raise."

Feb. 20.—To the Calgary correspondent of the Toronto *News*, Pat Burns, the celebrated Alberta rancher and cattle dealer, says that in some respects Reciprocity would benefit his business. "But," he adds, "do you suppose I, or any man, in this great West of ours, wants Reciprocity if it is to become a menace to the prosperity of the Dominion? No, Sir! The country has made us all out here. We want the country and we are going to keep it, keep it for Canada and our children, and not for the gain of a few paltry dollars which might come to some of us for the time being were this Reciprocity agreement to go through now."

Feb. 20.—The Toronto *News* publishes despatches from a number of Presidents of Canadian Boards of Trade opposing the Reciprocity Agreement. H. L. Frost of the Hamilton Board speaks as "a former United States manufacturer"; Thomas Doherty of the Sarnia Board declares Reciprocity would "disorganize prospective business ventures, curtail investment of capital, injure credit and increase the cost of living"; G. A. Goslett of the Fort William Board of Trade expresses the protest of his organization against the policy; Stewart Scott of the Galt Board and E. S. Anderson of the St. Thomas Board join in opposition; while the Secretary of the St. Catharines Board declares that Reciprocity would injure transportation interests, divert trade to United States channels, injure trade with Britain and seriously affect the local fruit industry.

Feb. 20.—The Winnipeg Grain Exchange, by a large majority, declares that the Agreement is "not in the best interests of Canada."

Feb. 20.—Eighteen prominent Toronto Liberals sign and make public an elaborate protest against Reciprocity.

Feb. 21.—A large mass-meeting of citizens at Hamilton, Ont., after listening to an address from Hon. G. E. Foster, M.P., and to Mayor Lees' statement that they had received 33 branch factories from the United States, employing 8,000 men and turning over an outlay of $20,000,000 in the past 5 years, passes a Resolution unanimously declaring that Reciprocity would endanger Canada's British status, involve the country in many dangers, and should be referred to the people for approval.

Feb. 22.—At a meeting in Toronto of the Associated Boards of Trade of Ontario, upon motion of R. S. Gourlay, President of the Toronto

Board and of Mr. E. J. Davis, lately Liberal Provincial Secretary; supported by Hugh Blain, also a Liberal; a Resolution is adopted by a vote of 97 to 18 declaring that:

> Reciprocity would check further development along lines made possible and beneficial by an expenditure of hundreds of millions upon Canadian railways, canals, steamships and other means of transportation running East and West and would cause the loss of much of this expenditure; it would injure national unity by checking the growth of trade between the Provinces and between Canada and other parts of the Empire; any benefit coming from Reciprocity to any individual section or special interest would be more than counterbalanced by injury to other individual sections and interests; after some years under this Agreement the channels of Canada's trade would become so changed that any termination of the arrangement by United States change of policy would cause an unparalleled disturbance of trade in Canada; such conditions would make it very difficult to preserve Canadian autonomy.

Feb. 22.—Sir W. C. Van Horne, in an interview at Montreal says: "I am too much disgusted to talk about it. Just think of it! Our Government returns show that the commerce per capita of the people of Canada is $97 per head while the commerce per capita of the people of the United States is $32 and some odd cents per head. Naturally, they look on us with a covetous eye and this proposal for Reciprocity is the result. Now, we are actually proposing to remove the mill-dam; and understand what happens when the mill-dam is removed—the waters find a common level."

Feb. 22.—The Winnipeg Board of Trade, upon motion of W. H. Cross and D. C. Cameron—the latter a prominent Liberal—passes by 69 to 13 votes, a Resolution declaring that Reciprocity "is not in the best interests of the Dominion—particularly that portion of the country lying west of the Great Lakes"—and urging that the Agreement be not ratified.

Feb. 22.—The Executive of the Niagara Peninsula Fruit Growers' Association unanimously petition the Senate of Canada to refuse ratification to the Agreement should it pass the Commons.

Feb. 23.—Robert Meighen, President and Managing-Director of the Lake of the Woods Milling Co., in a letter to the press states that "the Dominion now has a milling plant which, if operated to its full capacity, could produce flour to supply 30 millions of people." Under Reciprocity Canadian wheat would be ground by American mills and the flour thus manufactured go to swell United States exports and profits. The West would suffer the most under these conditions.

Feb. 24.—Colonel, Lord Aylmer, formerly Inspector-General of the Militia and now resident in British Columbia, tells the Montreal press that Reciprocity would flood the Western Provinces with United States fruit at the expense of the Canadian growers on the Pacific Coast.

Feb. 24.—Rev. A. E. de St. Almas, a Baptist Minister of Aylmer, Ont., and a Liberal, declares that Reciprocity means absorption by the United States; the Port Hope Board of Trade protests against the policy by Resolution; J D. Allan, ex-President of the Toronto Board of Trade, and G. T. Somers, President of the Sterling Bank, (Liberals) in addressing the Empire Club at Toronto, both oppose the policy strongly.

Feb. 24.—T. A. Russell, General-Manager Canada Cycle and Motor Co., at a Laurier Club meeting in Toronto, attacks Reciprocity and appeals to Liberals to place country before party; Æmilius Jarvis, a leading Toronto financier, states in the press that Reci-

procity if carried might for some time close the London money market to Canada: "A business in which I was directly interested and the capital for which had been arranged for in London, namely, a flour mill for Toronto, on which a million and a half cash would have been spent here, had to be withdrawn when the announcement was made that wheat was to be free, but that the products of wheat were dutiable."

Feb. 26.—At a privately-summoned meeting in the Montreal Board of Trade building a Branch of the Anti-Reciprocity League of Canada is formed for that City. George E. Drummond is the chief promoter, and H. K. S. Hemming becomes the Secretary and active organizer. A protest form is approved for signature and presentation to members of Parliament urging, for ten specified reasons, that the Agreement be not accepted.

Feb. 28.—The press is given an anti-Reciprocity Resolution passed at the recent annual meeting of the Berlin Board of Trade. About this time the Cornwall Board of Trade, the Kootenay (B.C.) Farmer's Institute, the Burlington (Ont) Fruit-Growers Association, and the Boards of Trade of the Okanagan Valley in British Columbia, condemn the Agreement by Resolution.

Mar. 3.—The Winnipeg Free Press (Liberal) obtains opinions from a number of the members of its local Board of Trade—98 against the Agreement and 58 in favour. Amongst the former are S. P. Clark, D. E. Sprague, J. H. Brock, T. R. Deacon, H. N. Ruttan, William Robinson, Andrew Kelly, G. R. Crowe, H. M. Belcher, Edward Barry, D. K. Elliott, G. F. Carruthers. Amongst those in favour of Reciprocity are John Galt, Thomas Ryan, Arthur Stewart, F. W. Pace, E. D. Martin, W. P. Dutton, F. O. Fowler and other prominent business men.

Mar. 4.—Prof. E. P. Leacock of McGill addresses a large meeting in Quebec and declares that "the attempt to force such a compact upon the people of Canada is the worst possible distortion of democratic government."

Mar. 8.—The Walkerville, Ont., Board of Trade passes a Resolution against Reciprocity; the Young Men's Club of St. Anne's Division, Montreal, wires Sir Wilfrid Laurier asking him "not to betray his country."

Mar. 13.—The Hamilton City Council, after a warm discussion, passes by 10 to 5 votes, a Resolution denouncing the Agreement as tending to disturb local industrial investments and interests and prevent new enterprises from coming to the City.

Mar. 14.—After an acrimonious discussion the Brantford Board of Trade upon motion of Harry Cockshutt and F. D. Reville, and by a vote of 53 to 49, passes a Resolution declaring that "our material, national and Empire interests will be best served by keeping entirely free of Reciprocity entanglements with the United States at the present time."

Mar. 15.—In the Commons Mr. Fielding tables a number of messages, letters, etc., received regarding Reciprocity. Amongst them are protests from the Canadian Manager of Bovril Limited, the Sarnia Board of Trade and the Central Farmers' Institute of British Columbia.

Mar. 27.—Memorials, etc., are presented to Parliament of which 64 are favourable to Reciprocity and 2—the Ingersoll Board of Trade and the Liberal Association of Saanich, B.C.—are against it.

Mar. 29.—Amongst the Memorials, etc., presented to Parliament are 49 against Reciprocity and 30 in favour of the policy. The principal bodies registering protests are the Ontario and Quebec Vegetable Growers' Associations, the Boards of Trade of Waterloo, St. Catharines, Fort William, Beamsville, Kenora and Peterborough in Ontario, Sherbrooke in Quebec, Langley and Nelson in British Columbia; the Summerland, Kelowna and Metchosin

Farmers Institutes of British Columbia; the B. C. Inland Board of Trade; the Daughters of the Empire and U. E. Loyalist Associations; the Dominion Marine Association and the Grand Chapter, Royal Black Knights of Ontario.

Apr. 7.—The Owen Sound Board of Trade, by a vote of 42 to 36, reverses a previously favourable Resolution at a smaller meeting and denounces "the entangling web of Reciprocity."

Apr. 28.—The Toronto *News* vote, as taken in 99 cities, towns, villages and communities of Ontario, amongst all classes of the population, shows 18,060 against Reciprocity and 4,867 in favour.

Liberal party opinion of the Agreement quickly formed itself along favourable lines as well as in the unfavourable directions just indicated. Farmers were expected to be a chief source of fresh support and it was fully believed in official circles that the gains in this connection would more than meet the urban defections. The Halifax *Chronicle* of Jan. 27th put the situation as follows: "The Reciprocity pact covers a wide range, but its most important feature is that it provides for a largely extended free list. In short it is, to all intents and purposes, a measure of absolute free trade in many natural products. The products of the farm, the garden, the orchard, the quarry, the forest, and the sea, will have free access to the great consuming markets of the United States. What this means to the agricultural and fishing interests in particular cannot be over-estimated. The abolition of the duty on wheat alone will be an enormous boon to the farmers of the plains whose opportunities thereby will be doubled, while the removal of the customs barrier on practically everything that the farmer produces, and seeks a market for, will operate to the great advantage of Canada all along the line." The Montreal *Herald,* in a somewhat impartial vein, summarized the expected result of Reciprocity on Feb. 11th in these terms:

Wheat will be worth more to the Canadian producer, but will not follow Canadian routes nor reach Canadian mills so largely.

Ontario and Quebec will increase the output of hay and coarse grains for American consumption without reducing domestic supply or European export.

Ontario and Quebec will sell to the United States large quantities of late and specialized fruit, particularly apples, while Welland fruit will have a wider and more even market, with occasional loss from United States competition.

The Canadian butter market may be largely seized by Denmark and Australia, but Canadian butter will have a favourable position in the United States market to which these have no access.

The Ontario and Quebec meat packers fear the loss of a portion of their markets to the Chicago packers, with a consequent reduction in the Canadian demand for cattle and hogs.

The Ontario Salt industry is doomed unless supplemental legislation can be contrived to overcome its present disadvantage.

Canadian poultry, if properly fed, will find an excellent market in the States, and new-laid eggs will, on the whole, find better prices. Lower grades will be reduced.

Canadian cattle may be transferred as yearlings to the States where the process of feeding may be somewhat cheaper. This will depend on the state of feed crops.

The Western consumer, hitherto dependent on Eastern Canada and a very small supply from British Columbia, for his fruit and vegetables, will be greatly benefited.

Certain special industries, such as British Columbia fruit-farming and Western Canada truck-farming, will be severely set back.

There will be a marked increase in the influx of Americans and others into the West and a rise of land values, with a further increase in the wealth and consuming power of the West.

The milling industry, both in Manitoba and the East, will be at a disadvantage on the export market over the American mills which have a double market at home and in Europe.

The Maritime Provinces will gain immensely by the enlarged market for their fish and lumber, and the small producer will be able to handle his own produce to the New England market.

The Maritime Provinces will greatly increase their output of farm produce, shipping to New England cities. Maritime fruit and hay, now going largely to England, will be diverted to the United States market.

Meanwhile, support came to the Liberal party from various quarters as well as criticism and opposition from others. Early in January the Eastern Ontario Dairymen's Association passed a Resolution in favour of Reciprocity; on Jan. 11th the Western Ontario Association after adjournment of its regular meeting, also passed a Resolution favourable to free trade in dairy products. Mr. A. D. McRae, President of the Canadian Western Lumber Co. of Fraser Mills, B.C., declared himself on Jan. 28th as well pleased with the lumber schedules: " The manufacturers of British Columbia will be able to ship lumber to the great markets of California which formerly have secured their supplies from the State of Washington. With free entry of Canadian rough lumber into the United States the manufacturers of British Columbia will have a distinct advantage over those of the United States as far as the coastwise shipments are concerned." The City Council of Toronto—the centre of " Toryism " and of expected opposition to this policy—on Feb. 6th voted down a motion by Comptroller T. L. Church, protesting against the Washington Agreement, by 16 to 6 on the ground of " politics " being involved. Two days later the Welland Board of Trade compelled the withdrawal of a local Resolution against Reciprocity while the Executive of the Toronto Reform Association warmly endorsed the policy. The Provincial Legislatures of Saskatchewan and Nova Scotia passed Resolutions in its favour—the former unanimously. Some other incidents along this line may be tabulated.

Feb. 9.—The Saskatchewan Grain Growers Association passes unanimously a Resolution in favour of the Agreement.

Feb. 10.—The Dominion Council of Agriculture, meeting at Regina, passes the following Resolution: " That the Council, while regretting that the Agreement did not provide for further relief from the taxation on consumers levied by customs duties, express the opinion that free trade in farm products will be very beneficial to the farmers of Canada and would strongly urge the Parliament of Canada to ratify the Agreement; and would continue to urge Parliament at this Session to lessen the tax imposed by custom duties by extending the British preference to 50 per

cent. on all goods imported from Britain, and also to urge that agricultural implements be placed on the free list."

Feb. 20.—J. R. Macdonald, President of the Stratford Board of Trade, expresses himself as favourable. "Some interests will suffer but the country, as a whole, will benefit."

Feb. 21.—A letter from Hon. S. H. Blake, K.C., to Mr. P. C. Larkin, is published in the Toronto *Globe*, in which the former says: "There has bulked up in my mind very largely a fact that I have not seen touched upon, and it is that nothing will go so far to make a people absolutely happy and contented and not look for a change as when they have work, reasonable remuneration and sufficient food and clothing. Now, anything that will tend to bring these results will, therefore, be a vital element in Canada retaining its present position. If permitted to work on the lines that open to them such trade, business and financial results as will conduce to their prosperity, then they will not think of any change of allegiance, but if they are thwarted in this respect, dissatisfaction will be introduced and change will be desired."

Feb. 23.—In the Victoria (B.C.) *Times* and in many other papers Dr. Andrew McPhail, Editor of the *University Magazine* of Montreal, publishes a syndicate article in support of the proposal and in denunciation of the "disloyalty cry" of its opponents.

Feb. 24.—The Vancouver Board of Trade in a small meeting votes down a Resolution condemning Reciprocity.

Feb. 25.—Harry Corby, ex-M.P. of Belleville—for 12 years a Conservative representative in Parliament—declares the Agreement worthy of a trial.

Feb. 27.—The Calgary, Alta., Board of Trade by 26 to 10 endorses the Agreement.

Mar. 7.—The King's County, N.S., Board of Trade almost unanimously approves the Agreement together with a further extension of Canada's British preference.

Mar. 8.—The Macleod, Alta., Board of Trade endorses the Agreement.

Mar. 8.—The Dawson, Y.T., Board of Trade unanimously endorses the Reciprocity Agreement and recommends that all classes of mining machinery and power-house equipment be also put on the free list.

Mar. 10.—A Return presented to Parliament shows many Associations in favour of Reciprocity including the Board of Trade of Yarmouth, N.S., and a large number of Western Farmers' organizations. Mr. N. W. Rowell, K.C., writes from Toronto to Mr. Fielding criticizing the "irrational" attitude taken by the Opposition.

Mar. 15.—Mr. C. H. Waterous, a well-known Manufacturer of Brantford, declares himself in favour of Reciprocity on these grounds: "If this measure is defeated, I believe the agitation will not cease until a very much wider measure, and one much more fraught with danger to Canada's interests than the present one, will be proposed. With this present Agreement adopted, the business man and the manufacturer can urge the strong argument that the adoption of this measure should be accepted by the farmer as going far enough, and can oppose any extension with much more force than they can if this present Agreement be not accepted."

Mar. 15.—Mr. Fielding, Minister of Finance, tables in the Commons a lot of Resolutions, etc., favouring Reciprocity and including the Crossfield, Alta., Agricultural Society, the Coleman and Daysland, Alta., Boards of Trade, United Farmers' Association branches at Summerview, Rocky Coulee, Cranforth, Roseview, and West Lethbridge, Alberta, and similar Western bodies. Mr. S. M. Brookfield, of Halifax, a supporter of Mr. Borden, writes congratulating the Minister upon the Agreement.

Mar. 16.—The Central Saskatchewan Consolidated Boards of Trade unanimously passes a Resolution declaring its "desire to go on record as, heartily and from a purely national standpoint, endorsing the attitude of the Provincial Government toward the Reciprocity Agreement."

Mar. 18.—J. G. O'Donoghue, a leader in the Trades Unions of Canada, writes the Toronto *Star* a letter of elaborate support to the Agreement. He sums up as follows: "The result will mean cheaper food for the worker. The worker will have two markets instead of one."

Mar. 23.—Further Resolutions presented to Parliament show the Tofield and Lethbridge Boards of Trade in Alberta, the Estevan, Sask., Board, the Directors of the Alberta, Horse, Swine and Cattle Breeders Associations, as being favourable to the Agreement.

Mar. 29.—A further batch of Memorials presented to Parliament show Resolutions by various Liberal organizations favouring Reciprocity and also from the Boards of Trade of Hanley, Sask., and Ridgeway, Ont., the Grain Growers Associations throughout the West, the Club Chenier and Reform Club of Montreal, the Canadian Club of New York.

Apr. 2.—The Independent Labour Party of Toronto endorses Reciprocity by a large majority.

Apr. 20.—The Trades and Labour Council of Montreal declares by 44 to 13 in favour of Reciprocity.

As already stated Conservative opinion showed in some quarters a certain amount of hesitancy. So much and so long had Reciprocity in natural products been described as, academically, a good thing that at first glance the change in times and conditions was not so obvious a matter as it afterwards became while the patriotic or sentimental objection had not been aroused by United States speeches and apparent policy. Vigorous Party opposition soon developed, however, and to the Montreal *Star* and the Toronto *News* were added the enthusiastic antagonism of such papers as the Orange *Sentinel* with its statement of Feb. 2nd: "In spite of the unfriendliness of our neighbours we have become independent of their trade and are growing more powerful every day. At no time in the history of Canada has there been so little reason for us to throw ourselves and our natural wealth into the arms of a nation which has exhausted its own resources." Imperial organizations, with their inherent Conservative tendencies in such a matter, were, also, soon up in arms and the British Empire League, the United Empire Loyalists and the Daughters of the Empire started the stirring up of public feeling, although the Empire Club of Toronto refused to express itself. In Parliament the Opposition commenced and carried on a keen fight, and obtained the support of Messrs. Clifford Sifton, Lloyd Harris and William German—three Liberals of light and leading. "Let the people decide" became the slogan of Conservative attack and independent criticism while the Conservative Legislatures of Manitoba, British Columbia, Ontario and New Brunswick passed Resolutions of antagonism to the Agreement.

Progress of the Liberal Revolt and Manifesto of the 18 Toronto Men

The most important incident of this period, however, was the document published on Feb. 20 and signed by 18 prominent Liberals of Toronto—all well-known in spheres of life apart from politics in the ordinary sense of that term. The feeling of dissatisfaction with the Reciprocity proposals in various financial, industrial and mercantile circles found expression in this afterwards famous appeal to public opinion and was, probably, bound to do so in some form or other. The speeches of Sir Edmund Walker, J. D. Allan and R. S. Gourlay at the Board of Trade protest meeting on Feb. 16th foreshadowed active opposition from within the Liberal ranks of a pronounced character. The speech of Sir Edmund Walker was, in particular, a clear, clean-cut analysis of the measure, in what he believed to be the wider points of view involved, and, coming from the President of the Canadian Bank of Commerce—an institution with $17,000,000 of capital and reserves, with over 200 branches in Canada, and with roots deep in the very Western Provinces from which the chief support of Reciprocity was expected—the utterance was a most significant one.

His expressed objections were (1) that the making of this Agreement had aroused once more the dormant hope in the minds of millions of people in the United States that Canada would some day become a part of the Union; (2) that the farmers of Canada did not need experiments, were never so prosperous as now with their mortgages paid off, with prices for their products high, and abundant markets within the Empire for all they could sell; (3) that Reciprocity would still further hamper the struggling halibut and salmon fisheries of the Pacific coast by allowing intensified American competition and would promote the dumping of low-grade lumber from the United States upon the Canadian market; (4) that Western cattlemen would find it expedient under the Agreement to ship their cattle to Chicago and Canadian railways would lose the haul eastward while a similar process would develop in the shipment of wheat; (5) that Winnipeg would cease to be the greatest wheat market of the continent and its trade would go to Duluth and Minneapolis while Port Arthur and Fort William would be set back for years; (6) that the fruit industry of Ontario and British Columbia would be menaced with ruin. "Although I am a Liberal, I am a Canadian first of all," said Sir Edmund, "and I can see that this is much more than a trade question. Our alliance with the Mother Country must not be threatened. We must assimilate our immigrants and make out of them good Canadians. And this Reciprocity Agreement is the most deadly danger as tending to make this problem more difficult and fill it with doubt and difficulty. The question is between British connection and what has been well called Continentalism."

The signers of the Manifesto mentioned, and in the order given, were Sir Edmund Walker; John L. Blaikie, President of the Canada Landed & National Investment Co.; W. D. Matthews, ex-President of the Toronto Board of Trade and Vice-President of the Dominion Bank; W. K. George, ex-President of the Canadian Manufacturers Association and of the Toronto Industrial Exhibition, and Vice-President of the Sterling Bank of Canada; Z. A. Lash, K.C., an eminent lawyer and capitalist; W. T. White, Vice-President and General-Manager of the National Trust Company; George T. Somers, Vice-President of the Board of Trade and President of the Sterling Bank of Canada; R. S. Gourlay, President of the Toronto Board of Trade and a Piano manufacturer; Sir W. Mortimer Clark, K.C., LL.D., ex-Lieut.-Governor of Ontario; R. J. Christie, President of Christie, Brown & Co., and a prominent manufacturer; Hugh Blain of Eby, Blain and Co., a leading wholesale merchant and Director of *The Globe,* the chief Ontario organ of the Liberal party; H. S. Strathy, a Director and for many years General-Manager of the Traders Bank of Canada; L. Goldman, Managing-Director of the North American Life Assurance Co., and G. A. Somerville who held the same position in the Manufacturers Life Insurance Company—both well-known Insurance men; Wellington Francis, a prominent lawyer and Director of the Standard Bank and several Companies in Toronto; J. D. Allan, ex-President of the Board of Trade; E. R. Wood, Vice-President of the Central Canada Loan & Savings Co., a Director on many concerns and one of the leading financiers in Canada; John C. Eaton, President of The T. Eaton Company Ltd. and said to have 17,000 employees in his service. The document was as follows:—

We oppose ratification of the proposed Reciprocity agreement with the United States of America:

1. Because in the year 1897 the Parliament of Canada repealed the legislation then existing relating to Reciprocity and since such repeal neither the people of Canada nor their Parliament have entrusted the Government with any duty or authority to negotiate with respect to any agreement on the subject;

2. Because the present unexampled prosperity of Canada is the result of the policy which has been pursued in the development of her trade and of her natural resources; because this has involved the expenditure of hundreds of millions of dollars upon railways, canals, steamships, and other means of transportation between East and West and West and East and the obligation to incur further great expenditure for the same purpose; and because further development along the same lines would be seriously checked by the proposed Reciprocity agreement and the benefits of the expenditures referred to would be to a great extent lost;

3. Because it is essential to the continued national unity and development of Canada that no trade relations with any country should be agreed to by Canada on any basis which would check the growth and development of trade between the various parts of Canada with each other, or between Canada and the various parts of the Empire; and because the proposed Reciprocity agreement between Canada and the United States of America would seriously check the growth and development of this trade;

4. Because any present benefit to any section of Canada or to any interests or individuals therein which might accrue from the proposed Agreement would be more than offset by the loss and injury which would accrue to other sections and interests and individuals and, because, the result to Canada as a whole would be greatly injurious;

5. Because as a result of the proposed Agreement the freedom of action possessed by Canada with reference to her tariffs and channels of trade would be greatly curtailed, and she would be hampered in developing her own resources in her own way and by her own people;

6. Because after some years of Reciprocity under the proposed Agreement the channels of Canada's trade would have become so changed that a termination of the Agreement and return by the United States to a protective tariff, as against Canada, would cause a disturbance of trade to an unparalleled extent and because the risk of this should not be voluntarily undertaken by Canada;

7. Because to avoid such a disruption Canada would be forced to extend the scope of the Agreement so as to include manufactures and other things;

8. Because the Agreement as proposed would weaken the ties which bind Canada to the Empire, and because the Unrestricted Reciprocity which would naturally follow would still further weaken these ties and make it more difficult to avert political union with the United States;

9. Because the disruption in the channels of Canada's trade which was caused by the termination of the Reciprocity Treaty of 1854 and the subsequent establishment of a protective tariff by the United States gave rise to a decided leaning in many minds towards annexation with the United States, and this at a time when Canada was mainly peopled by native-born Canadians and other British subjects to whom the prospect of annexation was most unwelcome, and because Canada in a comparatively few years will have millions of newcomers, a large percentage of whom will have come from foreign countries, and because if Canada should then have to choose between disruption of her channels of trade with the United States or political union with them, the preservation of Canadian autonomy and Canadian nationality would be enormously more difficult;

10. Believing as we do that Canadian nationality is now threatened with a more serious blow than any it has heretofore met with and that all Canadians who place the interests of Canada before those of any party or section or individuals therein should at this crisis state their views openly and fearlessly, we, who have hitherto supported the Liberal Party in Canada, subscribe to this statement.

It is impossible to review the discussion aroused by this published protest. The favourite Liberal argument—the concise epitome of many and varied comments—was that it embodied the opposition of the "big interests" of finance and manufacture against something which would be of benefit to the masses of the people. More moderate arguments against the 18 Liberals included (1) the claim that Reciprocity had never been abandoned by the Liberals and that Canada wanted it and needed it as much as ever; (2) that Reciprocity would increase Canadian trade and development and not hamper them; (3) that it would not in the end injure the East and West transportation systems of the country but that even if it did Railways were made for the people and not the people for the Railways; (4) that the increased prosperity of the farmers would ultimately make every other class prosper proportionately; (5) that if the United States did terminate the Agreement abruptly no such result could follow as in 1866 because

Canada was now and would be then a strong and united nation able to take care of itself.

Following the issue of this Manifesto—which immensely strengthened the Conservative opposition to the Agreement in Parliament and the country—Mr. Clifford Sifton, Minister of the Interior for nine years (1896-1905) in the Laurier Cabinet, a strong, logical speaker and the chief influence in the Immigration movement which had built up Western Canada, took vigorous ground against the proposals. His position and activity as Chairman of the Canadian Commission on Conservation naturally, perhaps, paved the way for this opposition and certainly his succeeding speeches made effective use of studies along that line. In the Commons on Feb. 28th he announced amidst every evidence of keen interest, personal, political and public, that in this connection he could no longer follow the Leader of his party. In a speech of really remarkable lucidity Mr. Sifton summed up his objections to Reciprocity. In the first place, he contended, it had not been the policy of the Liberal party for 20 years and three Elections had passed without an official reference to it by the Governments of Canada or the United States; the Liberal Tariff of 1897 was one of moderate protection, British preference, stability and no Reciprocity; the Government had made this Agreement in a hurry, without a mandate from the people, without exact information or careful inquiry, in an arbitrary and unexpected fashion.

He supported the British preference but would not support any substantial increase at the expense of Canadian industries; he dwelt at length upon the value of the home market to Canadian farmers, the soundness of their prosperity, the steady increase in their prices, the independence afforded by their own protected market for 80 or 90 per cent. of their total production, with a British market open for all the rest and much more. This would all be given up under Reciprocity for "a market which might remain open for five years, perhaps for less, perhaps for more. Let any occasion arise and the United States could deprive Canada of her market. . . . We are putting our heads into a noose." Reference was made to the most-favoured nations, under British treaties, whose farm products would also come in free and the speaker declared that under this new policy the Canadian market in food products would be controlled by United States Trusts. As to the West he believed that the Western farmer would in the long run get less for his wheat besides having the reputation of his superior grades merged in the inferior ones to the south. In the cattle trade the West for the time would benefit but it would be through becoming "a backyard of Chicago." The farmers would not long stand being put on a free trade basis for what they sold and a protective basis for what they bought and this would mean the eventual destruction of Canadian industries and full dependence upon the United States. Mr. Sifton concluded as follows:—

For the last thirty or forty years we have been either ignored or buffeted by the United States and during that time we have taken our way, we have proceeded serenely, under the strong protective arm of the British Empire. Up to this present time we have been somewhat of a nuisance to the Empire; but now when we come to a point where we may be of use to the Empire, when we can send men and ships, if necessary, to her aid, then when we can be of some use to the Empire that gave us our liberty and our traditions of citizenship—at the first beckoning hand from Washington we turn to listen; the first time anyone beckons we turn from the path that leads to the centre of the Empire and take the path that leads to Washington. So far as I am concerned, I say 'Not for me,' and, finally, I ask, 'Is it safe for 7½ millions to bargain with 90 millions?' We may say we will take their terms but not pay the price. Sir, I think such a course is neither safe nor wise. If we take the terms we will have to pay the price.

A curious and much-discussed incident following this action was the attitude of the Manitoba *Free Press,* the able Liberal paper of Winnipeg, which was supposed to be owned or controlled by Mr. Sifton. It came out on Mar. 1st with a strong attack upon the opposition to Reciprocity as being not spontaneous but "planned, nursed, financed, stage-managed and advertised" by business interests centring in Toronto. Throughout the succeeding campaign this paper and the Regina *Leader* were the ablest exponents of Reciprocity to the Western people. The fact seems to be that the *Free Press,* though technically owned by Mr. Sifton, was really in the editorial charge of Mr. J. W. Dafoe and the business charge of Mr. E. H. Macklin under a term contract which included control of its policy. Accompanying these developments was the organization of the Canadian National League in Toronto with Z. A. Lash, K.C., as Chairman and the Anti-Reciprocity League in Montreal with Charles Chaput as Chairman, for the purpose of opposing Reciprocity and with active work in the circulation of thousands of pamphlets and the signing of petitions to Parliament protesting against the ratification of the Agreement.

The next step taken by the Liberal opponents of Reciprocity was the organization and holding of a great public meeting in Massey Hall, Toronto. It was held on Mch. 9th and the building was packed with an enthusiastic crowd. Sir Mortimer Clark presided and Messrs. Gourlay, White, George, Eaton and Allan, also of the 18 Liberals, were on the platform while speeches were made by Z. A. Lash, K.C., W. T. White, W. K. George, Arthur Hawkes and George T. Blackstock, K.C. The tone of the addresses was Imperialistic and anti-American, the spirit of the arguments was Canada for Canadians and the British flag, the element of thought chiefly appealed to was distrust of United States policy and ambitions. Mr. White summed up the situation to the manufacturers present as follows: "You are let go on suspended sentence; you are next." A long Resolution was passed declaring that Reciprocity would reverse the policy which had made Canada prosperous, hamper the country in its freedom to continue that development, check

the growth of Inter-Provincial trade, diminish Canada's influence in the Empire, and tend to commercial union and then absorption with the United States. The Agreement was denounced as made in secret, without consultation with or approval of the commercial interests involved, and an immediate Election to decide the issue was demanded.

Meanwhile, Mr. Sifton followed up his speech in Parliament by other addresses in the country. At the annual banquet of the Hamilton Manufacturers on Mch. 16th he was explicit on several important points. The United States last year had exported $400,000,000 worth of the very agricultural products which, it was contended, Canadian farmers would under Reciprocity send them; as for prices both countries were largely exporters and the general level in both countries was about the same; the market in Great Britain for perishable products, built up at enormous expense in agricultural education, cold storage and steamship facilities, would be abandoned for the United States market; the milling industry would be crippled in competition with the North-Western millers of the United States who were the largest in the world, with a profitable local market for by-products; the meat-packing and fruit-producing interests would be seriously injured. Limited Reciprocity meant the beginning of a logical and irresistible demand for complete Reciprocity; it involved the dominance of the seven million market and tariffs by those of the 90-million.

On Mch. 20 a great anti-Reciprocity meeting was held in Windsor Hall, Montreal, and addressed by Mr. Sifton in ringing terms and amidst energetic applause. Other, but brief speakers, were the Chairman, Mr. Charles Chaput, Z. A. Lash, K.C., of Toronto, T. Chase-Casgrain, K.C., of Montreal, and Prof. S. B. Leacock of McGill. After describing himself as a life-long, fighting Liberal, Mr. Sifton delivered a clear-cut analysis of the proposed policy from standpoints and with arguments very similar to those of preceding speeches. In referring, however, to Canada's present prosperity the speaker said: "The result of our tying ourselves up with the people to the south of us will be our continued enjoyment of the prosperity we now have until the next financial panic in the United States when we will have the honour and the pleasure of joining them in financial embarrassment." He dealt at length with the Trust question: "Then take the Chicago packers! The Meat Trust is the greatest in the world, except the Standard Oil Trust, and it can produce cheaper than any competitor. It has such an organization and such an enormous business, making use of every part of the animal to such advantage, that if the Trust were to buy cattle in Spokane, Washington, it could ship them to Chicago, work them up in the packing-houses and then ship them back to Spokane and undersell any competitor who bought the cattle on the market there and butchered it locally! Now, what chance do you think the small meat-packing establish-

ments of Canada have against that Trust? Not the slightest chance."

Two other points were dealt with as follows: "The railways in Canada spend about 50 per cent. on their labour and material in Canada. This is for the benefit of Canada—they go about it for the purpose of building up their business, of course, but that is the effect. We are going to cut off this. By this Treaty, which will carry the trade north and south, we are going to take off a large slice of the earnings of the railways. Take the pulp and paper business. Do you think that our friends to the south of us got that clause about pulp and paper to ornament the Agreement and fill so much space? It looks innocent, but it is not so innocent as it looks and just as surely as this Treaty comes into effect you will find that the Government of Quebec will be put in a difficult position. The Government of Quebec will be crowded on every side and by hook or crook, in some way, these regulations regarding pulp-wood will be abrogated and our American friends will get our pulp-wood as they want it." England had paid a terrible price for Free-trade and the worst sufferers had been the farmers. As to general relations with the United States Mr. Sifton said: "Every sane man in Canada knows that our American friends want every water-power on the international boundary lines. They want our market for their manufactures, our pulp-wood, our timber. They want our coasting trade. We have magnificent boats built in Canadian shipyards—perhaps some of you do not know this—built on the Great Lakes within the last two years, but our good friends to the south would like to grasp these for themselves and in this arrangement they will drive our vessels off the water." He concluded with a strong appeal for the right of the people to decide the issue. A Resolution was passed amid cheers condemning the Agreement because the Government had no authority to negotiate it; because of the expenditure of hundreds of millions on East and West development in trade and transportaion which would be wasted; because it would prevent growth in inter-Imperial trade and prevent Empire fiscal arrangements; because it would curtail Canada's fiscal freedom and general progress; because of the danger of being forced into a condition of abrogation or acceptance of Reciprocity in Manufactures; because Canadian nationality was threatened and at stake. Preceding the meeting, and during the preliminary torch-light procession, a band of McGill students who did not agree politically with the large section cheering Mr. Sifton and who afterwards made things lively within the hall, seized the visitor's carriage and threw it into a snowbank. There was also trouble at a meeting held in the McGill Union to hear Mr. Sifton—who was finally unable to make himself heard—and a subsequent apology was proffered from the student body.

From Montreal in these months had come another vigorous

voice of protest in several trenchant epistles by Sir W. C. Van Horne, a man whose politics the public knew nothing of and who may, therefore, be called an independent although he had actively opposed the Unrestricted Reciprocity proposals of 1891—his only preceding political experience. On Mch. 8th a letter of his to Mr. Charles Chaput was published in the press and contained some of the most caustic things yet said against the Agreement. "To my amazement and distress and shame I now see the magnificent work of a generation traded away for a vague idea or a childish sentiment—the splendid commercial and industrial position we have reached, and our proud independence, bartered for a few wormy plums. I feel it my duty to join in the protest which is heard from every section of the country. To-day we are in an enviable position, with a commerce three times as great per capita as that of the United States, and without a cloud in our sky save the one which has just now been raised. Does not common sense tell us to stay where we are and to let well enough alone. . . . Was there ever such an exhibition of crawling and cringing as Canada's representatives have just now given us at Washington? We have heard much of the dignified attitude of our Government on the subject of Reciprocity—a dignified attitude which was assumed after repeated snubs. We have been told that if there was anything more to be said about Reciprocity it must be said at Ottawa; but at the very first signal from Washington we have seen Canada's representatives hurrying there, and without consultation with one of our business interests, and apparently without consultation with their own colleagues, hastily assenting to terms vitally affecting our vast and complicated trade and commerce, and perhaps involving our political future. . . . Let us not run away with the idea that if we make a mistake in this matter of Reciprocity we shall be able to correct it at pleasure. We may not be permitted to do it. It should be remembered that there are such things as vested interests, with nations as with individuals and corporations, and that the vested interests of nations, real or alleged, are terribly binding upon the weaker party. When Mr. Hill has extended his seven or eight lines of Railway into the Canadian Northwest—lines which have for some years been resting their noses on the boundary line waiting for Reciprocity or something of the kind to warrant them in crossing; and when other American channels of trade have been established affecting our territory; and when the American millers have tasted our wheat and the American manufacturers have got hold of our markets; is it probable that we shall be permitted to recede? Not a bit of it. We are making a bed to lie in and die in." On Mch. 23rd Sir William told a banquet gathering in London, England, that three-fourths of Canadians were opposed to Reciprocity. Other incidents of this time were an address by W. T. White to a Sons of England meeting in Toronto and the declaration by D. C. Cameron, an active Liberal and

wealthy lumberman of Winnipeg, that while Reciprocity might be beneficial to his business it would hurt Canada, weaken the bonds between East and West, and make for closer connection between the Dominion and the States. As time went on this Liberal revolt increased in expression and grew in silent strength. Some of those who came out clearly against Reciprocity in addition to the names already quoted were the following:

T. A. Russell	Motor Manufacturer	Toronto.
G. M. Murray	Technical Commission	Toronto.
John R. Barber, ex-M.L.A.	Paper Manufacturer	Georgetown.
John R. Booth	Millionaire Lumberman	Ottawa.
J. N. Greenshields, K.C.	Eminent Lawyer	Montreal.
Prof. N. F. Dupuis, LL.D.	Queen's University	Kingston.
John Dick	Prominent Manufacturer	Cobourg.
J. C. Miller	President Canadian Club	Orillia.
David Maclaren	President Bank of Ottawa	Ottawa.
R. M. Ballantyne	Exporter and Capitalist	Montreal.
Matthew Kennedy	Ex-Mayor and Liberal candidate	Owen Sound.
Lieut.-Col. W. M. Gartshore	McClary Manufacturing Co	London.
James Jardine	Manufacturer	Hespeler.
Arch. McGoun, K.C.	Prominent Lawyer	Montreal.
J. H. Fryer	Manufacturer	Galt.
George McLaughlin	Carriage Manufacturer	Oshawa.
John G. Kent	Vice-President National Exhibition	Toronto.
W. J. Gage	Ex-President Board of Trade	Toronto.
Col. Alex. Bertram	Manufacturer	Dundas.
C. C. L. Wilson	Ingersoll Packing Company	Ingersoll.
Senator James McMullen	Liberal politician	Mount Forest.
Thomas Harrison	Mayor	Calgary.
George E. Goldie	Canadian Cereal and Milling Co	Toronto.
A. A. Ayer	Ex-President Produce Exchange	Montreal.
Thomas Delworth	President Ont. Vegetable Growers	Weston.
Dr. T. F. Chamberlain	One-time Liberal M.L.A.	Morrisburg.
J. T. Kirkpatrick	Ex-Mayor	Cornwall.
E. H. Riley	One-time M.L.A.	Calgary.
Rev. J. B. Freeman		Winnipeg.
E. M. Trowern	Secretary Retail Merchants Association	Toronto.
W. P. Niles	Ex-Liberal Candidate in Wellington	Picton.

There were, also, of course, Conservatives who changed their colours but they do not seem to have been so numerous. They included S. H. White of Sussex, N.B., Frank Clements of York in the same Province, Lee Flewelling of Rothesay, N.B., W. M. Jarvis, Silas Alward, K.C., and R. F. Quigley, K.C., Peter Lund of Wardner, B.C., Leslie McMann of Thorold, Ont., L. H. Edmonds of Blenheim, Col. J. F. Fraser of Burford, Lewis Wigle, ex-M.P., of South Essex, W. L. Wilkins of Norwood, J. S. Woods of Macdonald, Man., Harry Corby, ex-M.P., of Hastings, R. S. Eaton, President of the N. S. Fruit Growers Association, A. S. Swim of Nova Scotia, Sydney Purdy, James Robinson and Ernest Hutchinson of New Brunswick, D. K. Elliott of Winnipeg, Sir James Grant, M.D., of Ottawa, W. A. Fraser, the novelist, of Georgetown.

The Reciprocity Agreement before the United States Congress.

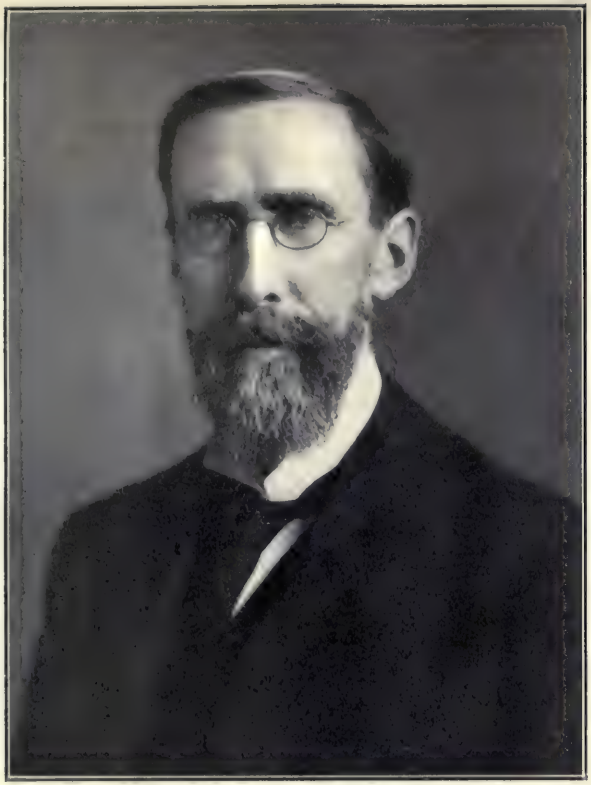
Meantime, events had been taking place in the United States which vitally affected the whole controversy in Canada, which promised to make or mar a Presidential candidacy for re-election in the States, which split up the two great Parties of the Republic in a state of temporary confusion and disorder. When President Taft, on Jan. 27th, presented the Canada-United

States Agreement to Congress he faced a most complicated situation. The Republicans were the party of Protection, proud of their history in this respect, tied up with many and varied interests which naturally supported those who safeguarded them from competition, pledged to the hilt by tradition, speech, policy and, in the main, inclination, to maintain a stiff Protective tariff. The President met this sentiment with a proposal which involved free-trade in agricultural products with a growing and, perhaps, great competitive producing nation of the future; while around and behind his party, and throughout the country, were a people still protective in principle but exasperated to a degree by the high and growing cost of living which the Democrats claimed to be due to Tariff-created trusts and monopolies.

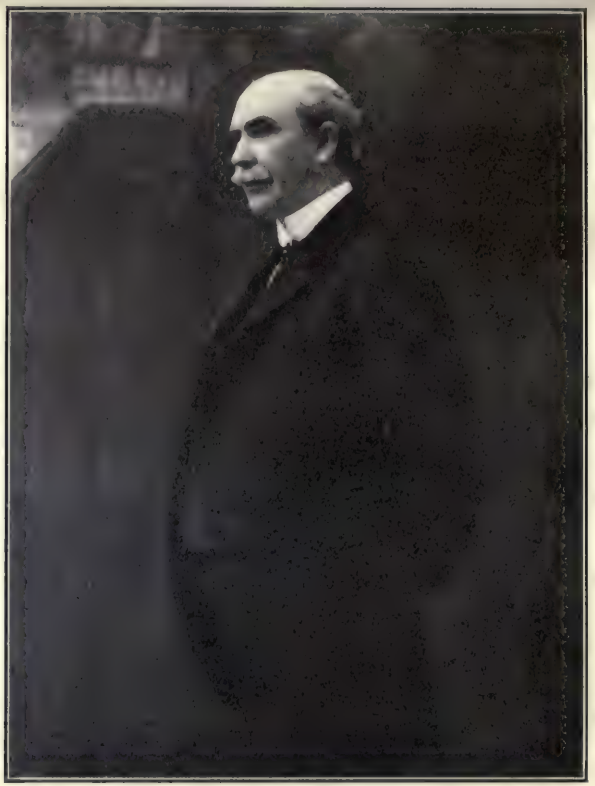
Opposed to the President and the Republicans, politically, was a party pledged by tradition, utterance and sentiment, to support lower duties and a reduced Tariff, yet deeply averse to helping the President in the passage of a measure which, though it might be illogical and unprecedented, would possibly promote his popularity and help his future re-election. The Democrats could not, on principle, oppose the measure and were pledged to grant many of the reductions, without return, for which the Agreement proposed on the part of Canada to give something; yet they wanted to take advantage of the obvious split between high and low Protectionists in the Republican ranks, of the certain opposition by powerful organizations to anything which looked like a weakening in the Tariff system, of the antagonism expressed by some agricultural interests in the West and certain fishing interests in the East. The tendency of a portion of the Democrats, however, was to support the proposals and it was shown almost at once.

On Jan. 27th Governor E. N. Foss of Massachusetts (Dem.) issued a statement at Boston to this effect: "The proposed Reciprocity Agreement is certainly a step in the right direction. It is an entering wedge toward that complete reciprocity the people are bound to demand. None of our industries will be injured; neither will the farmers suffer; and it should result in reducing the cost of some of the necessities of life. I confidently predict that the people will continue their demand until there is absolute free trade between the two countries." The Leader in the House of Representatives—Champ Clark of Missouri—had already, on Jan. 12th, told the Montreal *Herald* correspondent that "if Reciprocity is put up to the people of the United States as the only issue in a campaign it will carry by a three-fourths majority. I am in favour of Reciprocity with all countries on this hemisphere, and always have been." Oscar W. Underwood of Alabama and David Foster of Vermont both expressed themselves favourably to the general idea, on Jan. 11th, to a Montreal *Star* correspondent.

On the other hand Republican opposition soon developed. Senator A. B. Cummins of Iowa told the press on Jan. 9th that it



THE HON. GEORGE EULAS FOSTER, LL.D., D.C.L., M.P.
Minister of Trade and Commerce.



THE HON. ROBERT ROGERS, M.P.
Minister of the Interior.

In the new Borden Government, 1911.

was now too late for Reciprocity. "I am afraid that our own farmers would object to the abolition of their protection and the Republican party is pledged to the tariff principle that protection should be sufficiently high for the American producer to sell in his own home market at a slightly better advantage than the foreign competitor." Congressman J. W. Fordney of Michigan told the Montreal *Herald* (Jan. 11) representative that he stood for home protection first and that it would have to be proved to him that Canadian food products would do more good to the labourer in the city by lowering the cost of his living than it would injury to the farmer by removing his protection. Speaker Joseph G. Cannon of the House of Representatives, came out flatly on Feb. 12th against the Agreement: "Free-trade in these products is by itself one-sided, because we give Canada an immense market for her farm produce, both in theory and in fact, while she affords us practically no market for farm products in fact, whatever may be theory." Reciprocity, it may be added here, was not in name opposed to Republican policy; in practice and in the negotiations of the past with South American countries it had been a case of obtaining wider markets and influence without endangering any home interests. With Canada, as already indicated, the situation was very different. As to special interests involved, a few days after the Agreement was presented to Congress (Jan. 31), a clever Washington correspondent presented this summary in the St. John *Standard:*

> Of course the farmer will complain. He sees no reason why high protection should remain on the articles produced by the great cotton manufacturers and the woollen people, together with the Steel Trust and other big combines. He sees no reason why he, alone, with his mess of eggs and poultry and his few sheep and what grain he can raise, should be exposed to free trade in the interest of a reduced cost of living while the big manufacturing trusts keep their protection. On the other hand the Harvester Trust will be delighted if the Reciprocity Treaty could be ratified and the Canadian territory could be opened up as a market for its agricultural implements. The Harvester Trust has no objection to sacrificing the products of the farmer to secure a broadened market for its agricultural implements. The meat packers at Chicago are quite willing to sacrifice the American chicken-men and dairymen in order to have a free market for their prepared meats, lard, etc. The Steel Trust likes the idea of the Canadian market for its barbed wire. The Watch Trust ticks merrily at the idea of removing the Canadian duties from American watches. The Motor industry likes the idea of a Canadian market for automobiles and, no doubt, all these industries would flourish better if this treaty could secure such a measure of free trade with Canada as is proposed by Mr. Taft.

Such was the general situation when Mr. President Taft and his Secretary of State, Philander C. Knox, undertook to carry the Agreement through the House of Representatives and the Senate, to conciliate insurgent Republicans and win politically hostile Democrats, to hold doubtful interests and fearful farmers in the Party ranks, to keep their pledge to the Canadian Government.

Among the public bodies which had already endorsed Reciprocity, or which now hastened to do so, were the New Hampshire House of Representatives by a large majority, the Pittsburg Butter and Egg Exchange, the Oswego (N.Y.) Chamber of Commerce, the New York City Chamber of Commerce, the Lumber Dealers' Association of Connecticut, the Nebraska State Legislature, the Philadelphia Drug Exchange, the Merchants Association of New York City, the Minnesota House of Representatives by 63 to 50 votes, the Massachusetts and South Dakota Republican Conventions, the Connecticut Legislature, the Chamber of Commerce and Manufacturers Association of Buffalo, N.Y., in a mass-meeting on Apr. 12, the New York Produce Exchange, the Republican League Club of Missouri, the Massachusetts House of Representatives and Senate, the Milwaukee Publishers Association, the Chicago Association of Commerce, the Detroit City Council, the Maine House of Representatives by 59 to 46—afterwards reversed by 61 to 58, the New York Board of Trade and Transportation, the National Canners Association meeting at Milwaukee on Feb. 9, and the Boston Fruit and Produce Exchange in a Petition to Congress.

There were a good many powerful organizations also recorded against the Agreement including the National Grange of the United States with its million members, the President of the New York State Fruit Growers Association, the N. Y. State Grange, the Hardwood Manufacturers Association of the United States, the Barley-malt interests of Wisconsin, Minnesota, Illinois, Nebraska and Iowa in a large Delegation to Washington, the fish and lumber interests of the State of Washington, the Legislatures of North Dakota, South Dakota and Iowa, the Seattle Chamber of Commerce, the Republican State Convention of Michigan in a refusal to endorse, the Home Market Club of Boston, the American Protective Tariff League, the United States Book-paper manufacturers, a Delegation from the Chambers of Commerce of Buffalo, Rochester, Toledo, Cleveland and Detroit, Wrapper-paper manufacturers, the National Lumber Manufacturers Association, representatives of W.C.T.U. Associations on account of free rye and barley, the Cattle and Sheep organizations. The National Grange reasons for opposition were (1) the removal of protection on farm products, (2) no similar reduction on manufactured articles, (3) the fact that Canadian farmers could now buy manufactured goods cheaper than could the United States consumer while the price of farm lands was also lower in Canada, (4) the fact that while wheat, cattle and hogs were made free duties were maintained on flour and meats. The exact detail of Congressional events was as follows:

Jan. 26.—The President presents the Canadian Agreement to the 3rd Session of the 61st Congress.

Jan. 28.—A ratification measure is introduced in the House of Representatives by Samuel W. McCall (Rep.) of Massachusetts, and referred to the Committee on Ways and Means.

Feb. 6.—The Democratic Caucus by a vote of 90 to 22, and ultimately on motion of Champ Clark by unanimous consent, passes the following Resolution: "Whereas the Canadian Reciprocity Agreement negotiated by the Reciprocity Commission of the Dominion of Canada and the President of the United States, formulated in accordance with the Democratic platform demands, is a reduction of some of the prohibitive schedules in the Payne tariff law, will tend to expand the trade of the United States in the Dominion of Canada, and is in part a recognition of the principles the Democratic party has contended for on its own platform, therefore, be it resolved, that this Caucus endorse Canadian Reciprocity and bind ourselves to vote for a Bill carrying it into effect."

Feb. 11.—The Ways and Means Committee reports to the House recommending adoption of the measure and the Agreement by a vote of 6 Republicans and 6 Democrats against 6 Republicans and 1 Democrat. The Report says: "The Bill takes a long step towards establishing a policy of unrestricted trade for North America. He must be blind indeed who does not see the significance of Canada's remarkable pre-eminence in United States commerce. No other nation so strongly resembles America in methods of production, in scale for living, and in racial characteristics. The forces of nature draw the two countries commercially together with a potency which cannot be nullified by mutual tariffs and other devices whereby statesmen keep nations asunder. . . . The benefit to us would be enormous if we could sweep away the tariff between the two countries. It would have an effect on our trade of another Louisiana purchase. If Canada's commerce is so important to us when she has only 8,000,000 people, what will be the magnitude of our trade when she has 25,000,000?"

Feb. 14.—The McCall Bill passes the House by a vote of 78 Republicans and 143 Democrats against 87 Republicans and 5 Democrats —221 to 92.

Feb. 15.—It is received by the Senate and referred to Finance Committee.

Feb. 24.—The measure is reported to Senate without recommendations, and a discussion follows without any action being taken.

Mch. 4.—Congress is adjourned and the President issues a Proclamation calling a special Session of the new Congress—in which there is a large Democratic majority in the House and a reduced Republican majority in the Senate—for April 4th. The Message states that this Session is convened so that the Houses may consider and determine whether Congress shall, by the necessary legislation, make operative the Agreement with Canada.

Mch. 4.—Before the issue of this Proclamation President Taft summons the Republican leaders in both Houses, and Mr. Champ Clark, the Democratic Leader in the late House of Representatives, and Oscar W. Underwood, the Leader in the coming House, to meet him and his Cabinet and discuss the situation.

Apr. 4.—The United States Congress, convened in extraordinary Session to deal with Reciprocity is made up of 228 Democrats and 160 Republicans in the House of Representatives with 50 Republicans and 41 Democrats in the Senate.

Apr. 4.—The President's 2nd Message transmitting the Canadian Agreement to Congress urges its acceptance and makes this statement: "The Agreement in its intent and in its terms was purely economic and commercial. While the general subject was under discussion by the Commissioners, I felt assured that the sentiment of the people of the United States was such that they would welcome a measure which would result in an increase of trade on both sides of the boundary line and would

open up a reserve of the productive resources of Canada to the great mass of our consumers on advantageous conditions and that would, at the same time, offer a broader outlet for the excess products of our farms and of many of our industries."

Apr. 12.—A Bill embodying the Agreement with Canada is presented to the House of Representatives by Oscar W. Underwood (Dem.) and referred to the Committee of Ways and Means—together with a Democratic Free List Bill covering a hundred articles and products not specified in the Agreement.

Apr. 15.—The Report of the Committee of Ways and Means unanimously recommending the Underwood Reciprocity measure to the House of Representatives states that "the Bill takes a long step toward establishing for the continent of North America a policy of unrestricted trade and commerce, recognizing natural conditions that have been too long ignored." A clause is added upon suggestion of the recent Democratic Caucus authorizing and requesting the President to continue negotiation with Canada for a further extension of reciprocal relations. At the same time the Farmers' Free List Bill is reported by a strict party vote—the Republicans refusing their support.

Apr. 21.—The House of Representatives passes the Reciprocity Agreement measure by a vote which includes most of the Democrats and a small minority of the Republicans—a total of 267 in favor and 89 against. The vote stood—64 Republicans for and 78 against; 203 Democrats for and 11 against. Defeated amendments offered by Republicans numbered 35.

Apr. 24.—The Reciprocity Agreement is received by the Senate and referred to the Finance Committee.

May 17.—In connection with the Reciprocity Agreement President Taft sends to the Senate a Report as to the Pulp and News-print paper industries. The total average cost of a ton of ground wood-pulp at a mill in the United States is stated at $14.59; in Canada it is $9.56. The total cost of a ton of sulphite fibre in the United States is put at $31,39; in Canada it is $26.47. The total materials entering into the manufacture of a ton of news-print paper in Canada are shown as $16.89 and in the United States as $22.74. The labour cost of a ton of paper in the United States is shown to be $3.27 and in Canada $3.19. All other allowances for manufacturing costs in the United States are $6.87 and in Canada $7.45. Labour costs in all the items concerned run very closely alike. In accounting for the increased cost it is shown that at an American mill the average cost of a ton of wood for ground wood-pulp is $10.23; in Canada $5.70. The average cost of the ground wood-pulp entering into a ton of news-print paper in the United States is given at $13.27 and the Canadian value as $8.49. The average cost of the sulphite fibre in a ton of paper at a mill in the United States is given as $8.63; Canadian valuation at $7.41.

June 8.—The Senate Committee defeats all amendments to the Bill except that of Hon. Elihu Root, which proposed that the Agreement should remain inoperative as to pulp-wood, pulp, and paper, until all restrictions on the export of unmanufactured pulp-wood should have been removed by the Provinces of Canada. This is approved and the Agreement passes on to the Senate with the one added recommendation. It is claimed, and admitted by Senator Penrose, the Administration Leader, that this clause was in the original Bill, but that its elimination took place in the Ways and Means Committee of the House.

June 26.—Without the formality of a roll-call the Root amendment is defeated in the Senate.

July 22.—After prolonged debate and the defeat of 16 amendments the Reciprocity measure passes the Senate by a vote of 53 to 27 —Republicans in favour, 21, and against, 24; Democrats in favour, 32, and against, 3.

July 26.—The Reciprocity Agreement Bill is officially signed by President W. H. Taft, Vice-President J. S. Sherman and Mr. Speaker Champ Clark.

Aug. 1.—The Farmers' Free List Bill is passed by the Senate together with an amendment admitting Canadian fresh meats and cereal products free, with or without Reciprocity, but the measure is vetoed by President Taft.

Annexation Utterances in the United States Congress and Press

The prolonged fiscal debates, the discursive arguments, the game of political attack and counter-attack, which occurred in the American Congress between Jan. 26th and July 22, 1911, were not, upon the surface, of great interest to Canada although much was said bearing upon the Canadian controversy. The public in Canada certainly knew little of the American issues involved apart from certain references to Annexation. Why President Taft took his political life in hand in order to negotiate and then force this measure through Congress; why the Republicans should be pledged by their Leaders to a policy which the party majority in both Houses disapproved; why the Republican press should, as a whole, support a line of action which the Democrats logically and triumphantly claimed to be in accordance with their policy of many years past; why the latter party, when it became dominant in the Lower House, took up and put through by large majorities the measure of a Republican President which was expected to ensure his re-nomination and help his re-election—these were questions which received no clear consideration from the masses of the Canadian people.

Canadians did, however, understand the few distinctly Annexation utterances which reached them. These did not, as a rule, come over the wire from Washington; they came through in correspondence or were dug out of the *Congressional Record* by enterprising Conservative newspapers. In reality they were very numerous and, during the earlier stages of debate, before it was understood that such expressions of sentiment were unwise, they were enthusiastically cheered in Congress. It is not necessary to suppose that there was any "plot" for the ultimate annexation of Canada, or any general intention to carry it out, or anything but truth in President Taft's repudiation of political union or relations in his advocacy of Reciprocity. There was, however, and this is said deliberately, with due sense of responsibility, a deep and obvious sentiment in favour of any proposal or policy which would bring the great and growing

country to the north within the sphere of United States influence and detach her, no matter how indirectly, from her British and Imperial affiliations. There was the same opinion as to Manifest Destiny which has always lain at the root of American policy toward Canada whether it was coercive, contemptuous or conciliatory. The sentiment could not but find expression and there was really nothing to condemn in it from the proud and patriotic American standpoint.

The most conspicuous reference to the subject was that of Mr. Champ Clark. This gentleman was known in Congressional lists as the Hon. James Beauchamp Clark and in the House of Representatives as the Leader of the Democratic party and the coming Speaker of the next House with its Democratic majority—the first since 1905; in the country as a strong, clever and humourous politician, a friend of W. J. Bryan and a possible candidate for the Presidency. At this time he was in the curious position of helping President Taft to put a Republican Agreement through Congress. The utterance which created special interest in Canada was delivered on Feb. 14, just before the Reciprocity measure was passed by the House after application of the not-often-applied rule shutting off debate. It was received, according to press cables to London, by the members standing and applauding enthusiastically; it was not recorded by the Associated Press in its report of the speech next morning in the Washington papers; only a guarded quotation at first appeared in Canadian papers with the statement that Mr. Clark was a national joker and that no importance attached to the remarks. The reference to the Bill was as follows:

> **I am for it because I hope to see the day when the American flag will float over every square foot of the British North American possessions, clear to the North Pole. They speak our language, their institutions are much like ours, they are trained in the difficult art of self-government. My judgment is that if the Treaty of 1854 had never been abrogated the chances of a consolidation of the two countries would have been much greater than they are now. I have no doubt whatever that the day is not far distant when Great Britain will joyfully see all her North American possessions become part of this Republic. That is the way things are tending now.**

There followed, with promptness, the President's letter to Congressman McCall saying that "this Agreement, if it becomes law, has no political significance. No thought of future political annexation or union was in the minds of the negotiators on either side. Canada is now and will remain a political unit." The instant protest of British and Canadian newspapers surprised Mr. Clark and he said on Feb. 16th to the Montreal *Herald* correspondent at Washington: "Why, I was only saying what I have said twenty times before as to the future relations of these two coun-

tries.* But nobody ever paid any attention to it before. I was only voicing my own opinion and spoke for nobody but myself." It may be added here that Mr. Clark maintained his attitude after the Canadian elections were over and Reciprocity was disposed of. At St. Louis on Sept. 25 he said: "In my speech in the House I gave as one of my reasons why I wanted Reciprocity that it would tend toward a union of the two countries; a sentiment which I had expressed a thousand times—and will express hereafter as often as it is pertinent. And nine-tenths of the American people are in favour of it. It would be a great and beneficial thing if the two countries were united."

On Feb. 16th Congressman W. S. Bennet (Rep.) of New York presented to the House a Resolution requesting the President "to enter upon and prosecute from time to time such negotiations with the British Government as he may deem expedient for the annexation of the Dominion of Canada to the United States of America." It was at once referred to the Foreign Affairs Committee and, after hurried consultations between the President and the Leaders of both parties, was voted down on the following day by 9 to 1. Similar Resolutions were presented in the Legislatures of Michigan and North Dakota but not pressed to a vote. Meantime there had been other utterances, similar to Mr. Clark's. On the 14th, Mr. Burton Harrison (Dem.), of New York, said: "This Reciprocity pact is the greatest economic advantage of the age. We have almost obliterated the frontier line and a few years of commercial peace will do the rest." Mr. E. J. Hill, a Republican authority on Tariff matters from Connecticut, said amidst great applause—according to English press correspondents: "If the proposition before this House was one of complete political union, to form a single magnificent country extending from the Rio Grande to Hudson's Bay, not a single man here would say it nay. All local jealousies and neighbouring rivalries would be forgotten in consideration of the greater principle, and they should be disregarded in our consideration of this lesser measure for commercial intimacy. So long as I live I shall never forget a speech by Speaker Cannon on the future of this country, in which he declared that one day not only the whole of North America, but, also, the entire Western Hemisphere, would be a single great nation."

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* NOTE.—The Montreal *Star* of Apl. 3 published this extract from the Report of Tariff Hearings before the Ways and Means Committee on Dec. 4, 1908, when the Payne-Aldrich Bill was pending in Congress:

Mr. Champ Clark: Nearly all those who are raising wheat in the Northwestern British possessions are Americans who have gone over there, are they not?

Mr. Henry: A great many of them are; Yes, sir!

Mr. Clark: Nearly the whole outfit!

Mr. Henry: Yes, Sir!

Mr. Clark: Fixing to bring that country into the United States are they not?

Mr. Henry: I cannot speak for them.

The Chairman: I do not think you ought to give it away, if they are.

Mr. Clark: That is exactly what they will do; exactly what they did with Texas.

Every effort was made officially to nullify the possible influence of these remarks. In addition to President Taft's speeches the Secretary of State (Hon. P. C. Knox) addressed a Chicago audience on the 15th in these terms: "The United States recognizes, with satisfaction, that the Dominion of Canada is a permanent North American political unit and that her autonomy is secure." Mr. W. R. Hearst's chief journal, *The New York American,* on the 17th denounced the Bennet Resolution and declared Annexation to be "without the range of practical politics"; but his cartoonist on another page depicted "Uncle Sam" patting the head of his little daughter Canada. The figures were encircled by the Stars and Stripes and Mexico and Central America were looking on expectantly while the whole scene was designated "What a happy Family!" Meanwhile, Congressman Bennet returned to the charge and in a cabled interview appearing in the London *Daily Express* of Feb. 18th said: "The sentiment for the annexation of Canada is practically unanimous in this country. This feeling has been crystallized by the Reciprocity proposition which gives Canada great material advantages with little corresponding advantages to the United States, unless there is ultimate compensation in annexation. The proposition will be pushed vigorously and may be an issue in the next Presidential election. We are a nation of 90,000,000 and the cyclonic force of such a democracy is not within the formulas of ordinary historic measurements." Following are a few other Cabinet or Congressional references to Annexation during the weeks and months of ensuing discussion:

Feb. 9.—**James Wilson, Secretary of Agriculture in the Taft Administration, in a letter to the National Grange of the United States: "If this Reciprocity Treaty becomes the law of both countries our relations with Canada will become more intimate and our trade with her will expand and increase. The trains that bring farm products to the United States will take farm, orchard, and manufactured goods back, and whether the Political Union of the two countries ever comes or not we will become more and more one people, developing along similar lines and supplementing each other in many respects; the raw material that comes from the Canadian farm will be manufactured in the United States and what is not needed will be sent to foreign countries."**

Mar. 20.—**George W. Wickersham, Attorney-General of the United States, at Cleveland, Ohio: "The days of isolated national life are past. We cannot longer look at our next-door neighbours as aliens or strangers. Their interests are in large measure bound up with ours. In the continued and closer union of the Anglo-Saxon peoples lies the world's best hope for its continuous prosperity."**

Apr. 15.—**Representative Claude Kitchin (Dem.) of North Carolina: "I hope this Bill will lead to Free-trade with Canada. I would bind the countries in commercial ties so close that our peace would be their peace, our danger would be their danger, our prosperity would be their prosperity. We are one people, we speak one language; we have a common aim and a common hope. I trust every Democrat will sacrifice his individual**

opinion and that all will march together in a solid phalanx in support of this Bill."

Apr. 28.—Representative G. W. Prince (Rep.) of Illinois: "What is the history of the American people? We might as well be frank and honest. Americans went to Texas and Americanized it, and it was annexed as a part of this great Union. Americans went into Hawaii, Americanized it, and annexed it. And if these bright young men that the President speaks of in his speech, these clever, active, virile, vigorous young men from the farms of Illinois and the other northern States, thousands and hundreds of thousands of them, go up into that north land, what do you think will be the effect of it? We have 92 millions of people in the United States as compared with seven millions in Canada. Have I not a right to say that it is the first step toward annexation? Have I not a right to believe it? Why have not the Americans that go to Canada a right to believe it?"

May 1.—Representative Martin B. Madden (Rep.) of Illinois: "My hope is that, if we have closer commercial relations with Canada, some day this relationship may blend the two peoples into one harmonious whole, and that the territory lying north of us may become a part of the United States, as it should be. I have always believed we should be one people, under one flag, and under one form of government, and it will be better for us all when such a thing happens, if it ever does."

May 4.—Representative Benjamin K. Focht (Rep.) of Pennsylvania: "I was in Toronto recently, and I don't think Annexation is so far in the future. It is right. I talked to business men in Toronto, and there are enough people there now in the right mood to make complete commercial union certain. The fusion of these two Anglo-American peoples is sure to follow. Whether Mr. Taft wants it or not, it will come. It might come to-morrow or it might not come for years. I see no reason why Members of the House should not speak what is in their minds. Annexation will come without war. It will be an entirely peaceful proposition."

June 20.—Senator Knute Nelson (Rep.) of Minnesota: "I can see only one prospective benefit in this Reciprocity Agreement. It may lead to Canadian Annexation. We cannot hope to annex all the rest of the world, but if we can annex Canada we will accomplish a great deal."

July 5.—Senator Theodore E. Burton (Rep.) of Ohio: "I am confident that the removal of the trade barrier between the United States and Canada is the ultimate destiny of the two countries. Along this border is the one place of all places where commercial wars are unprofitable. In their normal development the resources as well as the activities of the two countries would supplement each other in much the same manner as those of the different States of this Union."

July 20.—Senator Wesley L. Jones (Rep.) of Washington: "It is a step toward full and free intercourse with the magnificent people on the north. It adds to the total of our internal trade the trade and commerce of a territory as great as our own, to be peopled and developed by men and women of the same race, character, needs, desires, hopes, ambition and destiny as our own and whose trade is far more desirable than that of many times the same number of people of any other race or clime. It insures perpetual peace between the two peoples."

Space will not permit of further quotation but the names of Congressmen C. L. Bartlett (Dem.) of Georgia, John J.

Gardner (Rep.) of New Jersey, Gustav Kusterman (Rep.) of Wisconsin, James W. Good (Rep.) of Iowa, Charles A. Kennedy (Rep.) of Iowa, John R. Farr (Rep.) of Pennsylvania, Richard Young (Rep.) of New York, F. H. Gillett (Rep.) of Massachusetts, A. J. Gronna (Rep.) of North Dakota, Charles R. Davis (Rep.) of Minnesota, A. B. Littlepage (Dem.) of West Virginia, Henry George, Jr. (Dem.) of New York, Scott Ferris (Dem.) of Oklahama, may be mentioned as amongst those who expressed themselves in the House of Representatives as looking forward to, or favouring, the Annexation of Canada. There were an immense number of utterances which did not deal directly with the political issue of Annexation but treated of conditions which involved commercial control of Canada and its gradual detachment from the Empire. A very general feeling was expressed by Senator A. J. Beveridge (Rep.) of Indiana in the Senate on Feb. 9th: "Every element in the situation is an unanswerable argument for international trade relations with Canada. These elements are peculiar. They exist only and exclusively as to Canada and the United States. Therefore they require a policy as different from that which we apply to other countries as these unique conditions affecting Canada and ourselves are different from those affecting other countries and ourselves." Governor Chase Osborn of Michigan expressed views, according to No. 8 verbatim report of "Hearings on Reciprocity before the Finance Committee of the Senate" (not published in United States papers) as follows: "I think it is fair to take Annexation into consideration, because I personally think—and there are a great many men in the United States who think—this is a question above dollars, absolutely above an economic consideration. . . . I think if you would separate bureaucracy and the people who have charge of the railways there (in Canada) they would come over to-day." Senator W. A. Smith of Michigan told the New York *Herald* of Feb. 18th that "this new Agreement, while it might not reasonably tend to Annexation, would naturally make the Confederation of English dependencies more remote." Senators A. B. Cummins of Iowa and P. J. McCumber of North Dakota expressed similar views.

The press was hampered in its expression of opinion by the knowledge that was soon felt amongst many of those in favour of Reciprocity that the expression of annexation beliefs and sentiments might not be popular in Canada. The New York and Washington correspondents of London papers—notably the *Standard*—maintained throughout these months, as did the Montreal *Star*, that there was a conspiracy of silence in a large part of the United States press as to Annexation utterances in Congress and general opinion in this connection. They did not want to hurt Reciprocity, it was alleged, because success meant free pulp and the saving of a sum which John Norris, Chairman of the Paper Com-

mittee of the American Newspaper Publishers Association, put at $6,000,000 a year, before the Senate Committee, on July 23rd. Senator R. M. La Follette of Wisconsin put the matter as follows in his Report to the Senate on June 13th: "The newspaper publishers are promised a free market for print paper, for which they expend about $55,000,000 annually. No one who investigates the condition under which the newspapers of this country have been compelled to purchase their supply of print-paper can escape the conclusion that the publishers have been subjected to extortion. Prices have been arbitrarily fixed for them and, to keep their enterprises going, they have been forced to submit to exactions unwarranted by conditions in the wood-pulp and paper-making industries—conditions possible only because of the unlawful Trust organizations of the paper manufacturers." Despite these limitations there were in the press an immense number of Annexation or Commercial Union statements—some of them as follows:

Jan. 28.—Washington *Star:* "The national welfare of both countries will undoubtedly be promoted by intimate commercial reciprocity. In time the thoughts of the Canadians may turn towards annexation as the most to be desired of all political boons. The isolation and humiliation of the Colonials will not be forever endurable. Meanwhile full reciprocity in exchange of citizens and products and a steady Americanization."

Jan. 28.—New York *World:* "The arrangement now proposed is a step only in the direction of commercial freedom, but the principle involved is vital, and it can hardly fail to expand."

Feb. 11.—Newark *Star:* "Every American farmer who settles in Canada takes his nationality with him and helps to loosen the tie which unites Canada to Great Britain. The thousands of American farmers who settle in the northwestern Provinces look to Washington rather than to Ottawa. The time is not far distant when the question of the Annexation of Canada to the United States will have become a burning issue on both sides of the border. And when that time comes the American element in Canada will make itself felt and heard."

Feb. 12.—Minneapolis *Journal:* "No opportunity such as is now presented to benefit our people and the Canadian people, to unite the continent, to avert future jars and wars, to change history, has arisen in this generation's time. Let us rise to its level. Let us seize Opportunity this February month, lest she pass forever by."

Feb. 12.—New York *American:* "The British scheme of close-knit trade federation with Canada that shall shut out the United States is a political device of English Imperialists; while, on the contrary, the free exchange of commodities between Canada and this country is—in Lord Lansdowne's own words—in accordance with geographical conditions. In ratifying this trade agreement we should understand, therefore, that we are settling a world problem, and settling it right. British Imperialism will wane in consequence. But American trade routes will run along the lines that were ordained by nature. And the prosperity of the Western continent will receive an immense impetus through a definite, a final disentanglement, from the intrigues of European politics."

Feb. 13.—The Springfield *Republican:* "Removal of tariffs would greatly benefit our transportation interests and enable the currents of trade to move in their natural channels, north and south across the border, instead of compelling unnatural movements, east and west . . . if we could sweep away all tariffs between the two countries it would have the effect upon our trade of another Louisiana purchase. And this Bill is on the way to that great end."

Feb. 25.—New York *Tribune:* "It is conceivable that if Reciprocity should be denied there might arise on both sides a demand for political union. But that would be as an alternative method of securing something which apparently could not be got without it. It would not be that Annexation was desired for its own sake, but merely as a means of securing Reciprocity."

June 18.—New York *Evening Journal:* "The ideal conditions, of course, would be a political as well as a business union of all this North American continent. A political union, however, cannot be brought about suddenly or by any act on our part. It must grow out of the good-will and the friendship of the Canadians, if it is to come at all. Is it not a fact that Reciprocity, bringing the people of Canada and the United States closer together every day, will do more than anything else to promote, eventually, the complete political and business union of the United States and all the great territory north of us?"

July 15.—The Norwood (Boston) *Register:* "On both sides of the line the advocates of Reciprocity say that the policy, if enacted, will not affect the independence of Canada, either now or at any time in the future, but they are mistaken. Commercial union, or the approach to it which is now proposed by the pending Agreement, must lead to political union."

Aug. 1.—The *Southern Lumber Journal* of Wilmington, S.C.: "The people of the United States, through their representatives in Congress and the U. S. Senate, should straightway demand that negotiations be instituted without delay, by Secretary of State Knox, for the peaceable Annexation of Canada; but for Annexation if it should have to come about through conquest. If there is any virtue in the Reciprocity Treaty as ratified by the United States Congress and signed by the President some days ago, it is to be found in the fact that this instrument lays the foundation stone for the Annexation of a country that should have long since been a part of the United States."

Aug. 19.—The *Ohio Farmer* of Cleveland: "If our markets are to be opened free to Canadian farm products, it is surely desirable that the country should be annexed and share in all our affairs of government and expense. This may have been the unexpressed object in view of our President and statesmen in the negotiation of the Reciprocity Treaty."

Sept. 10.—The Philadelphia *Farm Journal:* "The trade between the two countries will eventually follow the enactment of the present measure and that will mean, ultimately, peaceful Annexation. There is no doubt about that."

These are a few specimen quotations. The Indianapolis *News,* the Troy (N.Y.) *Press,* the Minneapolis *North-Western Agriculturist,* the Chicago *American,* the Los Angeles (Cal.) *Herald,* the St. Paul *Dispatch,* the St. Paul *Pioneer Press,* the Chicago *Democrat* and many others avowedly wanted Reciprocity because it led to relations with Canada which would involve, it was claimed, a future Continental Union. The Detroit *Free Press* considered the

chief merit of the Agreement to be political and social—"full reciprocity and steady Americanization"; the Philadelphia *Ledger* declared the details of no consequence compared with the Continental sentiment underlying the Agreement; the Chicago *Record-Herald* thought that Canadians fully understood that they were "about to choose between the Empire and the Republic"; the Cincinnati *Inquirer* defined future processes as friendship followed by alliance and then union; the Milwaukee *Free Press* described the great significance of the Pact as being in its influence upon "the All-American ideal, the future prosperity and ascendency of the Republic." Some of these papers, and others not so pronounced in Annexation views, desired Reciprocity because it would kill Imperialism as a practical policy in Canada and detach the Dominion commercially and fiscally from the Empire. Notably of this view was the Chicago *Tribune*—which published on June 3rd the result of a poll amongst 10,000 newspapers in 22 States showing 4,303 replies with 4,250 definitely in favour of Reciprocity. The *Commercial West* of Minneapolis and the New York *Times* were also strong supporters of this anti-Imperial argument.

The New York *Journal* wanted Reciprocity and union because the export trade of the United States between 1897 and 1910 had increased with the Philippines from $94,597 to $17,317,897 and with Cuba from $8,259,776 to $52,858,758 and a like result should now follow. The Spokane *Spokesman-Review* wanted Reciprocity because within a year or two the United States would insist upon its extension to manufactures or its abrogation; the Boston *Herald* and Portland *Argus* because of the great advantages to their respective Ports; the New York *Journal of Commerce* because it would help the United States through its existing financial troubles. So pronounced and general was the Annexation talk at the Convention of the National Editorial Association in Detroit, which concluded on July 20, that there was much local speculation as to the reception of the Editors in their ensuing trip to Montreal and Muskoka.

There were certain individual expressions of opinion which, while not directly involving Annexation, had a considerable indirect relationship. On Jan. 29th Mr. James J. Hill, the leader of United States transportation interests along the Canadian frontier, stated at St. Paul that "there is no valid objection to a much freer interchange of commodities between the two countries than that provided for by the new Treaty. Both countries gain. But as there are about 93 millions in the United States our measure of gain is much greater." In a Minneapolis address on Feb. 9th he warned his audience that now was the only time to get this measure through as otherwise an Imperial trade policy would forestall future moves. To the Chicago Association of Commerce on Feb. 15th he made an urgent plea: "There ought not to be one vote in

Congress or one vote in the country against an arrangement worth more than armies and navies, more in dollars and cents, than the acquisition of other markets for which we are prepared to spend huge sums. Every man in public life either knows or does not know the true value and effect of Reciprocity. If he does not know he is not fit for the responsibility he assumes. If he does know, and yet opposes, he is willing to sacrifice the most important interests of his country and to close the greatest opportunity open to it in years." Another argument was adduced at Minneapolis on Feb. 23rd: "Suppose Canada joins a British Trade Federation. As a reasonable differential England might impose our tariff of 15 cents a bushel on wheat, meaning that our wheat-growers would find their product lowered by that much a bushel while England would also take practically all of the $200,000,000 Canada now pays us annually for our manufactures. Then, if you add to that the $600,000,000 worth of goods we export to England, you will find that if we reject Reciprocity and drive Canada into Imperial Federation we will be losing $800,000,000 a year."

On Feb. 29th Eugene N. Foss, Governor of Massachusetts, addressed the Produce Exchange of Boston as to the results of Reciprocity. "Our present railroads will increase their facilities and extend their lines to handle the increased business; and the great transcontinental lines of Canada will come to the port of Boston which is the natural port of Eastern Canada as well as New England. New factories in all lines will be established here, for with these conditions our capital will no longer seek Canada for the purpose of building up those factories which it is now forced to build in Canada by unnatural tariff conditions." In Boston on May 24th Henry L. Stimson, an eminent New York lawyer, just appointed (May 22) Secretary for War, said: "Our Government has offered Canada free trade in all commodities; the Canadian Commissioners, representing a younger country, with younger industries to protect, have felt compelled to decline free trade as to these industries. But the step once taken, the tendency toward closer relations will be irresistible." Two independent utterances of a later period may, in conclusion, be quoted here:

June 27.—Edmund J. James, President University of Illinois: "I should like to see customs union between Canada and the United States as complete as exists among the various American States. I think such an arrangement would result ultimately in the practical union of the two countries, which would be greatly to the advantage of both peoples, particularly our own."

June 27.—David Starr Jordan, President Leland Stanford University, California: "I believe in the removal of the barriers between nations which are not natural barriers. There is nothing whatever in the conditions in Canada which justifies any kind of customs collection between the two countries. I look upon it (Reciprocity) as a step toward the elimination of all customs barriers among the nations of the continent."

President Taft's Campaign for the Agreement

Meantime the President of the United States who, it must be remembered, was the Leader of his Party as well as the Chief Executive of his country, had made a continuous and strenuous effort to obtain Congressional and popular support for the Agreement, to prevent the wavering and antagonistic elements in the Republican party from entirely disrupting its organization, to conciliate factions and interests and "lobbies" at Washington, to explain Reciprocity to the commercial, financial and agricultural elements of the community, to hold in check the effervescent talk of Annexation and political union. His first Address to Congress on Jan. 26th was an elaborate preliminary presentation of the issue. So far as Congress was concerned the President took the line that this measure was one above all politics, all questions of tariff, all prejudices as to protection or free-trade. It was a great national issue and Parties could stand or fall but the Agreement must go through. Yet, as a matter of fact, out of $144,000,000 of food-stuffs in crude condition and food animals imported by the United States in 1910 and $181,000,000 of food-stuffs, partly or wholly manufactured, also imported, the Republic only made free $39,800,000 worth and reduced the duties on goods valued at only $7,500,000!

Speaking at a banquet in Washington on Jan. 30th President Taft referred to Canada as growing into a great country and nation, as not having always been treated by the United States in a conciliatory manner, as now extending the hand of friendship and proposing closer relations with mutual benefit. "The Canadian Agreement, if confirmed by Executive action, will be a fitting close to a century's controversies and will permanently establish good feeling and commercial union between kindred peoples. We shall find a rapidly increasing market for our numerous products among the people of our neighbour. We shall deepen and widen the sources of our food supply in territory close at hand. Our kinship, our common sympathy, our similar moral and social ideas, furnish the strongest reason for supporting this Agreement." The President's southern trip was at this time cancelled and he made a speaking tour of various centres bent on explaining and popularizing the Agreement. At Columbus, Ohio (Feb. 10), he dealt with the need of the people for more land and food and timber. Millions were being spent on reclaiming and irrigating the arid lands of the Western desert. Why, he asked, not bring "within our agricultural resources the great plains of the North-West."

As to wheat the domestic price was governed by the world price and Canadian competition would not injure the United States farmer. "The greatest reason for adopting this Agreement is the fact that it is going to unite two countries with kindred people, and lying together across a wide continent, in a commercial and social

union to the great advantage of both. Such a result does not seem to be justified by a nice balancing of pecuniary profit to each. Its undoubted general benefit will vindicate those who are responsible for it. I say this in order that by arranging the arguments directed to the detailed effect of the Agreement upon different classes of persons I may not be thought to abandon the broad ground upon which the opportunity to confirm this Agreement ought to be seized." In the matter of land values proximity to market was the main consideration and United States farmers would still maintain that superiority. " In other words the advantage we give the Canadian farmer will not hurt our farmer, for the prices will remain the same; but by patronizing our elevators, our flour mills, our railroads, he (the Canadian) will secure admission to the world's market at less cost to himself while we will secure the advantage of increased trade for our elevators, our mills, our railroads and our commission men."

At Springfield, Ill., on Feb. 11th, the President addressed the members of the State Legislature and once more appealed to the farmers. " Permitting wheat to come from the Canadian Northwest to Minneapolis and Chicago will steady the price of wheat and provisions, make speculation more difficult and insure against short crops and high prices. It will increase American control of the wheat markets and enable the millers to turn Canadian wheat into flour and send abroad the finished product. The increases in population and farm exports are so rapid that unless the production is greatly increased within our borders we will soon consume all we raise. We need a source of supply like Canada's at our doors. We would be blind if we neglected this opportunity to add to the strength and virility of the country by increasing its supporting capacity." As to Protection the Republican party was, he believed, willing to treat Canada differently from other countries. Conditions were the same in each and the United States Commissioners had been given " the widest latitude " in their recent negotiations. " We have taken up those things that are involved in a Canadian Reciprocity treaty because opportunity offered," declared President Taft in conclusion. " Now is the accepted time. Canada is at the parting of the ways. Shall she be an isolated country, as much separated from us as if she were across the ocean, or shall her people and our people profit by the proximity that our geography furnishes and stimulate the trade across the border that nothing but a useless, illogical and unnecessary tariff wall created." Naturally and inevitably, these and similar arguments from the Leader of a Protectionist party created " standpatters " and insurgents within his organization, while winning and holding Democratic and free-trade support.

At the opening of the Pan-America Conference in Washington on Feb. 13th, the President was joined by the Democratic Leader in the House of Representatives (Mr. Champ Clark) in his

advocacy of Reciprocity. Speaking of the Agreement the latter said: "That's a document which the President and myself own in partnership, but speaking for myself, not for President Taft or anyone else, I am for reciprocity not only with Canada but all the south and central American republics." Following Mr. Clark's famous Annexation utterance of the next day the Secretary of State* (P. C. Knox) addressed the Chicago Association of Commerce in a careful, clever analysis of the Agreement as being purely economic and not political. A rather curious commentary upon this address and upon the really small commercial issues involved, so far as the United States was concerned, is found in Mr. Secretary Knox's further speech at Pittsburg on Feb. 18th: "The largest question now before the people for their consideration, or that has been for many generations, a question affecting the interests, not only of all the citizens of the United States but of all the inhabitants of the North American Continent, a matter which in all of its bearings looks large, and the consequence of which will be tremendous, is the question now before the American people, before the American Congress, the question of reciprocal commercial relations with the Dominion of Canada."

To a Masonic gathering in Washington on Feb. 20 the President reiterated his view of the Annexation question: "I really believe that with the consummation of the Canadian Reciprocity Agreement there will be a drawing together of great nations; but a drawing together by closer business and social relations and not by political union." Speaking at great length before the Southern Commercial Congress in Atlanta, Ga., on Mch. 10 Mr. Taft again, and in his usual explicit terms, differentiated Canada from Great Britain and the Empire: "Against her alone, of all the powerful nations of the world, we have felt under no necessity to establish a navy or fortify our frontier. For nearly a hundred years, under an agreement that has attracted the admiration of all promoters of international peace, we have had no battleships and no forts between us and her." And then followed the inevitable reference to the common interests of the Continent: "Canada is at the parting of the ways. If we now reject this opportunity to bring about closer business and trade relations and insist upon the continuance of an artificial wall between the two countries—which differ no more in conditions of labour and production than do Kentucky and Tennessee or Georgia and Alabama—we shall throw away an opportunity for benefit not likely to recur."

Following this came the speech which really helped to decide the issue in Canada. It was not greatly different from many others; from opinions expressed in Congress and the press and endorsed by J. J. Hill and many other public men; but it happened to catch the Canadian ear. The address was delivered at a ban-

* NOTE.—Members of the U. S. Cabinet are appointed and hold office at the will of the President.

quet of the Associated Press and Newspaper Publishers Association in New York on Apl. 27. After briefly approving the Arbitration Treaty, then pending, the President went on to describe Reciprocity with Canada as a kindred subject which would " indirectly stimulate international peace " and to make this definite statement: " We tendered to the Canadian Commissioners absolute free trade in all products of either country, manufactured or natural, but the Canadian Commissioners did not feel justified in going so far." He argued that the Agreement would not hurt the United States farmer and that in any case it could be terminated at pleasure and by legislation in either country. " Another and very conclusive reason for closing the contract," said Mr. Taft, " is the opportunity which it gives us to increase the supply of our natural resources, which, with the wastefulness of children, we have wantonly exhausted. The Timber resources of Canada which will open themselves to us under the operation of this Agreement are now apparently inexhaustible." There were, however, broader and better reasons than the mere economic for supporting the Agreement. Conditions made great future changes possible although " this talk of Annexation is bosh." As to Canada in particular he said: " The Government is one entirely controlled by the people, and the bond uniting the Dominion with the Mother Country is light and almost imperceptible." A little later he concluded his speech as follows:

> I have said that this is a critical time in the solution of the question of Reciprocity. It is critical, because unless it is now decided favourably to Reciprocity, it is exceedingly probable that no such opportunity will ever again come to the United States. The forces which are at work in England and in Canada to separate her by a Chinese wall from the United States and to make her part of an Imperial commercial band reaching from England around the world to England again by a system of preferential tariffs, will derive an impetus from the rejection of this Treaty, and if we would have Reciprocity with all the advantages that I have described, and that I earnestly and sincerely believe will follow its adoption, we must take it now or give it up forever.*

The President told a National Grange and hostile Farmers' delegation, on May 8th, that his conviction as to the advantage of the Treaty—he usually used that word—was very deep. " I believe this Treaty to be the best thing for the whole country, including farmers, merchants, labouring men and all, because I believe it is contrary to nature, it is flying in the face of Providence, to put an artificial wall between this country and Canada. . . . If we take down that wall we will benefit by it for we will sell more agricultural products to Canada than she will sell to us. We do now and we shall sell her even more after the Treaty goes into effect. That is my judgment." An interesting point was made in the President's speech at Chicago on June 3rd. He was

* NOTE.—The Toronto *Globe* of Aug. 16 quoted this entire statement editorially and said: " These words are true."

dealing with the Pulp clause and frankly admitted that it would help in coercing the Canadian Provinces. "In order to induce the Canadian Provinces, over whom the Dominion can exercise no control, to lift the restrictions upon the exportation of their pulp-wood it is provided that when paper is made from wood grown on lands not under export restrictions, the paper may come into the United States free, and it is hoped that the difference of $5.75 between the duty on paper from restricted wood, and no duty on paper made from unrestricted wood, will induce the Provinces to lift their restrictions." Upon another point he was equally explicit: "I should premise that one of the great objects of the Treaty, one of the great reasons for its making and submission to Congress, was the conservation of our natural resources."

Mr. Taft's address at New York on June 18th, before the Produce Exchange, dealt mainly with what he termed the "selfish interests" of the farmers. As to fruit and vegetables he said: "With the introduction of these free into Canada you will secure other customers with a valuable trade that will greatly add to the demand and that will greatly expand your industry and maintain the prices at which it can be profitably carried on." At Indianapolis on July 4th the President repeated his declaration that the price of wheat could not be affected as Liverpool made the world's prices but, he added, "the diversion from British and European markets to United States markets of 20 to 40 million bushels of Canadian wheat annually would strengthen the wheat market abroad, would furnish the American mills with a needed complement of wheat which the world would require in the shape of American-made flour."

Meanwhile, as a result of the anti-annexation talk in Canada, President Taft sent to the Church of Scotland General Assembly at Edinburgh—through Dr. J. A. Macdonald of the Toronto *Globe*—a despatch wishing success to the Arbitration principle and adding these words: "It is my one sincere desire that Canada shall continue to prosper, flying the British flag, and sharing with us the responsibility for North-American civilization." To the press on July 23rd, after the passage of the measure in the Senate, he stated that success was greatly due to the Democrats who had not "played politics." The coming into operation of the Agreement would "open a new epoch in the relations between the United States and Canada." To the Editor of the New York *American* he sent this despatch: "I wish to express my high appreciation of the energetic work of the seven Hearst papers, and of the members of your staff for their earnest and useful efforts to spread the Gospel of Reciprocity, and I congratulate them on the success that has attended the Evangel." One final quotation and the President's campaign may be left to history. It is from his article in *Leslie's Weekly* of August 10:

We have a people numbering 90 million, occupying the best part of the North-American continent, with the widest variety of products and with an unexcelled fertility of soil. To the north of us are a people just like ourselves, in descent, in wealth per capita, in education, in traditions, in ambitions and aspirations. They have a country nearly equal to ours in area, not so fertile, generally, and certainly not so rich in the wide variety of agricultural products. They are seven million people. With them we have a trade of $325,000,000 a year. If Canada continues to grow what may we not expect to sell her if we reduce the tariff wall, introduce as near as we can Free-trade, and she increases her population from 7,000,000 to 30,000,000? Shall we not be flying in the face of Providence to maintain a wall between us and such a profitable market as she will furnish us?

Reciprocity Agreement in the Canadian Parliament

After the presentation of the Agreement to Parliament on Jan. 26, while public opinion was gradually forming itself in Canada, and these varied campaigns and Legislative discussions were taking place in the United States, the Dominion House of Commons first dealt with the arrangement in a preliminary and tentative fashion, then in a spirit of determined hostility from the Opposition, then adjourned for the Prime Minister to attend the Coronation and the Opposition Leader to visit the West, then met in a prolonged grapple of parties which ended in Dissolution and the General Elections. It is impossible here to analyze the debates in this Parliament; it is necessary to indicate the character of a few of the leading speeches, the trend of the controversy, and the chief arguments used. The speeches themselves can all be found in *Hansard* of Jan. 26 to July 29, 1911.

Mr. W. S. Fielding's address in presenting the Agreement has already been analyzed and, passing over the initial amazement of the House at the Reciprocity "bolt from the blue," the consternation of Liberals representing Protectionist constituencies and of Conservatives from Western or low tariff communities, the brief period of indecision amongst a number of members on both sides of the House, the triumphant feelings of the "Old guard" Liberals from the days of '91, it may be said that the first and most natural point of consideration was the material one, the question of export and import, of markets here and markets there, of good or evil resulting from specific removals of duty. Broad principles, and international relations, and issues of national or Imperial development, were merged for the moment in lesser matters. Then it was all so uncertain! Congress might never pass the Agreement and the whole thing would then be in the air and work out, probably, for the political good of the Government. During the two weeks following Mr. Fielding's speech the members sounded their constituencies and tried to gauge public opinion, as well as to form their own, in face of the new evolution in national policy—one which led the Montreal *Star* to ask if Reciprocity was not really a revolution?

On Feb. 9th the House resumed discussion of the subject with F. D. Monk, K.C. (Cons.), as the speaker. He demanded delay in consideration of the Agreement because of (1) the suddenness and importance of the issue, (2) because of the change in conditions since Reciprocity had been seriously thought of, (3) because the complicated details of the schedules were not understood and (4) because the people themselves were not sure of their feelings. He moved this Resolution—which after a few words from Mr. Fielding was rejected by 97 to 72 votes: "The House regrets that before considering on its merits and in its details the arrangement concluded between the Government of Canada and the President of the United States, it has not been given the necessary time and occasion to ascertain the opinion of the people of Canada in that regard and to study more carefully the effect the new fiscal *régime* may have upon the various interests thereby affected."

Mr. R. L. Borden, the Opposition Leader, followed in a careful and moderate analysis of the proposal. He first described the prosperous condition of Canada. Its export trade since 1868 had increased 470 per cent. and its imports 450 per cent.; its Bank deposits from 33 to 925 millions and its Banking capital from 30 to 184 millions; its miles of Railway had grown from 2,240 to 24,731 and tons of freight carried from 8 to 74 million; the value of its field crops in 1910 was 533 millions and of its manufactures (estimated) 1,000 millions. To create, or assist, or ensure, this development the Dominion and Provincial Governments and Municipalities had expended upon railways and canals $481,000,000 in cash and 55 million acres of the public domain; Railway bonds had been guaranteed to a total of $127,000,000 and the Government was, now, involved in further probable expenditures of $260,000,000 upon the Grand Trunk Pacific, the Georgian Bay Canal, the Welland Canal enlargement and the Hudson's Bay Railway project. Why risk all this expenditure upon East and West routes of trade and travel in a new policy of southern diversion?

Impending fiscal changes in the United States, new political ideas, the high cost of living, the necessity for enlarging the field of natural resources and supplies—all making inevitable a lowering of the very American duties for which Canada was now asked to give a free market—were, he urged, so many reasons for hesitation. As to the question of Tariff control, if it was as the Finance Minister said "everything or nothing" in the Agreement to-day, why would it not be the same a year hence and, if so, where was Canada's control of its own fiscal arrangements? Dealing with the effect of this policy upon our British relations Mr. Borden claimed that even then and taking dutiable goods alone, the importer of British goods into Canada was paying higher duties than the man importing goods from the United States; while in the past six years Great Britain had bought $300,000,000 more from Can-

ada than we bought from her and Canada had purchased over $500,000,000 more from the United States than it had sold to that country. What would be the condition under Reciprocity? After some reference to the Annexation possibilities involved in the policy and to certain local requirements of the West Mr. Borden concluded as follows:

> Our fathers endured many hardships and made wonderful sacrifices in planting their homes in this then western wilderness. In times of peril both races have poured out their blood without stint in defence of their common country. In the work of upbuilding a strong nation and a great civilization under the British flag, on the northern half of this continent, they have laboured side by side with mutual sympathy and with high purpose. The heaviest burdens have been lifted, the greatest obstacles have been overcome, the most difficult part of the task has been accomplished. I trust that the Canadian people will not lightly relinquish the task to which their energies and the energies of their fathers have been consecrated for many years. I trust that the Standard will not be thrown aside and the retreat sounded when the battle is more than half won. The self-denials, the sacrifices, the patriotism, demanded of us to-day in order that this nation may maintain and carry out the ideals and the purposes for which it was called into existence are as nothing to those which were required of our fathers who founded this Confederation. Loyalty to their memory and to the ideals which they consecrated demands that we should continue, with firm and unabated hope, upon the path which we entered nearly 50 years ago.

Mr. Paterson, Minister of Customs and one of the negotiators, in following, declared emphatically that the British preference would remain, and that anything coming in free from the United States would be free from Great Britain also. He did not see anything in the arguments for conserving Canadian national resources; if the Americans wanted our wheat and ores and fish and lumber why in the name of business should they not get them! If Canadian grain was to a greater extent than now to be carried over United States transportation routes the farmer would, presumably, benefit through lower freight rates. The Hon. George E. Foster (Cons.) followed in one of his characteristically eloquent speeches. He described the situation as, in the first place, unique. "In the next place the situation is one of extreme gravity. I may be wrong but I have given a great deal of thought to this matter in the course of my political life, and the conviction that is within my heart is that we have never had in Canada any question quite so important as this present one—no issue upon which hung larger and greater issues. I think it is a situation which involves in a large degree the fiscal freedom and political independence of Canada. I think it is a question which is fraught with consequences greater than any of us can now see, but a sense of which comes to me and I believe to every thoughtful man in this country—fraught with grave consequences to the future of that Empire in which, up to the present time, Canada has been a shining and noble part."

With this serious preface he proceeded to demand the Government's mandate for this policy. "There were no compelling condi-

tions to force you on this question. What were they, if there were any? Production was good. Never in the history of Canada has production in all its various interests been larger or richer. There was no lack of market for everything that Canada produced. There was a quick sale, easy sale, no glut in the markets, no lying by in bins and cellars, no rotting in our fields. Everything that Canada produced, and she produced richly, found a market and a ready market. There was no compulsion in that respect, there was no lack of transport, everything ready for market had means of transport, there was no compelling condition which sent these gentlemen to Washington. The prices too were good, they were never better in Canada." A vigorous denunciation of the two negotiators followed for going to Washington without any national need, or mandate, or consultation with business interests and there making, in secret conference, this important Agreement. He dared the Government to take a free vote of Parliament upon the matter; to tell its own party supporters to vote as they liked. He claimed that, directly or indirectly, $47,800,000 of Canadian imports and $47,300,000 of Canadian exports were affected by the Agreement. It altered " the fiscal conditions of interchange, not for a few unimportant articles, but a long list of most important products."

It shifted the entire basis and area of Canadian production. What, he asked, is the greatest thing in Canada? " The Inter-Provincial trade which is founded upon the many productions in the East and the wheat, grain and cattle productions in the West—the two complementing each other. What has made Canada so mighty, and so great in her progress is this, that you have filled her bins with the rich blood of Inter-Provincial trade, stimulating production in various parts, and then interchanging these productions one part with the other part. This instrument has for its object, can have no other, the shifting of the base of production and giving, as far as possible, at least one-half to the United States of America." One other argument was presented: " If the effect of this measure is to shift producing centres from this country to the United States, to give us half and the United States half, it means that half of the labour possibility in the way of employment is taken from this country and is shifted to the other side, or kept upon the other side."

On the 14th Mr. Foster resumed the debate. The alleged injury to capital investments and the $150,000,000 a year now coming from Great Britain was reviewed. " Capital is going to be sensitive and careful of investing itself in this country on account of the unstable conditions which are imported by this arrangement, and will go the side where there is the greatest market, where there is the most fixity and stability of financial conditions." Whatever change might be made as to Canada there was no apparent instability in the general structure of the United States tariff. As to the British preference he pointed out that it had

originally included many countries but was ultimately limited to British Dominions; that then, he claimed, the Government went to work to render it as fatuous as possible—"first, by raising the duties on the list of articles before they made the preference to Great Britain; later, by the French Treaty, which in some respects scaled down the preference to nothing, and in other respects materially reduced the influence of the preference. Then, in 1910, after Parliament had closed these gentlemen reduced by Order-in-Council the duties to Belgium, to Holland and to Italy, and so brought in further competition with the preference to Great Britain and to-day, what have they done?" They were now bent upon destroying the possibility of a return Preference in Great Britain. "They have admitted (from the United States) all the articles on which the British people would be willing to include a preference. They have included all those in the free list between the United States and Canada, and every one of them could be sluiced through Canada into the Empire under a preferential arrangement with Canada. And you could not help yourself. A British preference then would not be with Canada alone in these articles, but with Canada *plus* the United States." Hence the joy amongst British Liberals and free-traders.

A long argument followed on the value of the Home market to the Canadian farmer, on its destruction by Reciprocity and dominance by United States Trusts, on the practical control of Canada's tariff by the United States, on the national and Imperial issues involved. The ideal of Canadian nationality within the Empire was described in words of unquestioned eloquence and power: "Then (in 1868) blood pulsed in our veins, new hopes fired our hearts, new horizons lifted and widened, new visions came to us in the night watches. We faced geography and distance and fought them to a stand-still. We shamed the croaker and the pessimist and the coward into silence, and then re-created him, as a good citizen, at the glowing fires of optimism and of hope. The plains were shod with steel, the mountains tamed and tunnelled, our national arteries were filled with a rich blood of commerce, our industries grew, our workmen multiplied, our villages became towns and our towns became cities, with astonishing rapidity. Across the seas we clasped hands with our sister-nations within the Empire and surrounded as with a cordon of defence the old Empire that gave us birth." All this would now be changed and endangered.

Dr. D. B. Neely followed in a review of the Western Liberal and freer-trade arguments and from the practical, material, standpoint of the value to the farmer of a free market in the United States for his wheat, oats, barley, flax, potatoes, hay and dairy products. He believed that the West, almost entirely, approved the Agreement. Mr. Martin Burrell (Cons.) spoke for the Fruit interests of British Columbia which were said to be gravely

menaced by Reciprocity. "What is our position? Our natural, our great market is the Canadian prairies. We face there competition from our sister Province, Ontario, whose friendly rivalry we do not deplore. But we face, also, a much more dangerous and fierce competition from the Pacific coast States. Absolutely no argument can be advanced to show that British Columbia has an equivalent in the form of a market in those States. Their markets are glutted with their own products, and each of the great fruit-growing States is exporting an enormous annual surplus." The speech by Mr. Hugh Guthrie, K.C., on Feb. 15th, was an able presentation of the policy from the Liberal standpoint.

The rich results of Reciprocity in 1854-66 and the record of both Canadian parties in favour of Reciprocity in natural products, were dealt with; the fact that there was a practical and actual preference in favour of British manufactures because last year Canada bought from Great Britain in manufactured woollens, silks, ribbons, oil-cloth, flax, hemp and jute, fancy articles, earthenware, china, and cottons, $41,250,000 worth and from the United States $6,440,000 worth, was analyzed. As to prices and markets he made this point: "We have two markets now, the home market and the British; but then, when this arrangement comes into operation, we will have three markets, and the one we have not got now, but which we want to get, is by far the largest. We will not send our products to Buffalo, or Chicago, unless we get better prices than we do at home or in the Mother Country. Our western people are not going to send any cattle to Chicago unless they can get better prices there than elsewhere. If they cannot they will send them to Eastern Canada or Great Britain. What is there unpatriotic or disloyal in that proposition? How do business men conduct their business? If the prices in Buffalo are good, they send their wares there; if not they send them elsewhere. Then why should not the Government carry on the business of this country on business lines?" Mr. Guthrie claimed that the British market for wheat was limited and that the United States would soon cease to export wheat. Under Reciprocity a tremendous amount of live-stock would go to Buffalo from Ontario instead of to Liverpool and prices would be better. He admitted that the cost of living in Canadian cities would increase but it would be a part of increased national prosperity and would not be felt.

Speeches followed from Haughton Lennox, J. E. Armstrong and Richard Blain, on the Conservative side of the House and from A. B, Warburton, Michael Clark and J. P. Molloy, Liberals. Mr. Armstrong quoted some interesting figures, which he described as authoritative but of which the source was not indicated, stating that six great Packing establishments—the Meat Trust—of the United States did a yearly business of $945,000,000 with profits of $23,379,644. On Feb. 23 Mr. F. D. Monk (Cons.) after touch-

ing lightly on the Champ Clark matter moved a Resolution which, in a few words, Sir Wilfrid Laurier and Mr. R. L. Borden approved and which was passed without opposition or serious debate: " Before resuming the discussion of the terms of the Agreement concluded between the Government of Canada and the President of the United States and with a view to dispel the feeling of unrest created in Canada by comments made in both countries as to the political consequence of the Agreement, the House wishes to affirm emphatically its determination to preserve intact the bonds which unite Canada to the British Empire, and the full liberty of Canada to control her fiscal policy and internal autonomy." In re-opening the discussion on Feb. 21st Mr. G. W. Kyte spoke for the Liberals and Dr. T. S. Sproule for the Conservatives while the Hon. R. Lemieux made an eloquent address in favour of the Government policy.

Mr. Lemieux was as proud of Canada's progress and position as any Conservative speaker could be and he believed the country so sound and strong that it could stand beside and trust the United States in this great issue of the day. " We have the greatest timber resources in the world, 315,000,000 feet of standing timber; wheat-fields 600 miles wide, 1,000 miles long, waiting for the plough, not less than 117,000,000 acres of wheat-land; we have 12,500 miles of coast fisheries, 250 miles of which are in the beautiful County of Gaspe; we have 440,000 miles of fresh water fisheries; in coal alone, according to the statistics of the Department of the Interior, 172,000,000,000 tons; in gold we have produced the worth of $260,000,000; in silver we occupy third place in the world; in nickel we have three-fifths of the world's supply." After reviewing the history of Reciprocity negotiations and advocacy from a Liberal standpoint the speaker dealt with British trade, east and west and north and south, and asked why Canada should be afraid of a progressive policy. As to transportation, diversion of route, etc., he had no fear. " The trade from Canada to the United States will continue to increase, and it requires no unusual foresight to see that this increase will inure to the benefit of our ocean ports. Montreal will beyond all doubt replace New York as the first ocean port of North America; indeed, Montreal has already taken the premier position. That is a decree not of mine; not of the Canadian Government; it is a decree of nature and of geography. There can be no evasion of the fact that the water-route from Montreal to Liverpool is 220 miles shorter than that from New York to Liverpool and that 1,000 miles of the Canadian route lies within the shelter of adjacent shores. During last season of navigation, and the season before that, Montreal defeated New York in the race, for in the export of butter and cheese the port of Montreal leads the way on the North American continent." There would be better markets for the product of the forests and fisheries of Canada, better prices for fish, in particular, more transportation

for railways. United States lines ran east and west; why should not Canadian lines do so and prosper under Reciprocity? This policy would not give a death-blow to Imperial Preference; the British people had already given that. He concluded as follows:

At the end of this century of peace (the celebrations of which will take place in 1912 on the wise suggestion of my colleague the Minister of Labour) this Reciprocity Agreement will be the crowning event of that century. We believe it will be a means of serving the Empire and Canada; we believe it will prove a link between the Mother Country and the great Republic. In the past our loyalty has borne its trials, even with the Mother Country. While we were still suffering from the effects of the abrogation of the Reciprocity Treaty statesmen high in station in England gave us to understand that they would see us part from the old connection without regret, but we did not believe that those were the feelings of the people of England, and so we held on. We have fairly won our way into the British brotherhood, and we will not hear with patience that any trade arrangement, however favourable, will turn us from the course we have freely chosen for ourselves within the greatest Empire that has been.

Mr. Clifford Sifton's speech—elsewhere dealt with—followed on Feb 28th and to it the Minister of Agriculture (Mr. Fisher) replied at length. He dealt with the historical situation and claimed, in the matter of mandate, that there was none for the Preferential tariff of the kind now demanded and yet Conservatives had supported that measure. His analysis of the price of wheat was as follows: "Why is it that the American Congress made arrangements for the Minneapolis millers to grind Canadian wheat in bond for export instead of bringing in the wheat, paying the duty on it and grinding it in the ordinary way? Because the duty is not only a deterrent and impediment but an absolute prohibition of their getting the Canadian wheat and grinding it at Minneapolis and mixing it with their own flour. If Reciprocity is going to result in our north-western farmers selling their wheat to the United States market why will they do it? Simply because the price which the American miller will pay for it will be higher than the price which the Canadian miller has been willing to pay for it." As to small Canadian mills they would suffer no more under Reciprocity than did small American mills in the United States at the present time.

The need of larger markets for the farmer was indicated as follows: "If 1,000,000 people in 1909, cultivating 7,000,000 acres of wheat, produced 147,000,000 bushels, what will the people of the Canadian North-West produce when that country is fairly filled up and we have 5,000,000 or 6,000,000 between the Great Lakes and the Rocky Mountains? That estimate of the future population of the North-West is not an extravagant one, nor need we look very far ahead for these results. When that time comes the Canadian North-West will produce 1,000,000,000 bushels of wheat. I venture to say that the farmers will need not only the Home country and the American market, but also

the European market in which to sell the wheat. When that time comes there is no doubt there will be in the United States from 150,000,000 to 200,000,000 people, and they will need at least 250,000,000 to 300,000,000 bushels of wheat from us." In the matter of Packing-houses, etc., he asked if the Chicago interests to-day swamped those of Kansas City, Omaha, or St. Paul. He claimed that prices for agricultural products were higher in the United States than in Ontario and quoted comparisons for Buffalo and Chicago, Montreal and Toronto.

Mr. W. M. German, a staunch Liberal member (Welland County) for 10 years, spoke on Mch. 2nd in opposition to the Agreement and in support of Mr. Sifton's view. He claimed that "no more negotiations with Washington" had been the Liberal policy since 1900 and that he had won and held his seat on that understanding. The time for Reciprocity had gone by. "We have reached in Canada to-day a condition of national manhood; we are to-day in a position to attract the attention of the nations of the earth; we are building up in our own land a great transportation system, we are building up in our land a great home market, we are building up in our land huge manufacturing establishments to supply, not only our own people, but the people of foreign lands; and I for one, Sir, will not be a party to jeopardizing, much less destroying, that beneficial condition." Free-trade within the Empire was his ideal; until then protection and a stable tariff. Succeeding speakers were F. B. Carvell (Lib.) W. S. Middleboro (Cons.) and, on Mch. 7, Sir Wilfrid Laurier took the floor. He first reviewed the historical data of Reciprocity desires and claimed that it was not an issue in the past three elections because both parties were agreed upon it. He did not believe in a Chinese policy but in one of advance and progress; he had no fear of competition under the Agreement. "At the northern extremity of the temperate zone, our cereals have more strength, our fruit has better flavour, our vegetables have more delicacy, than similar productions from other parts of the world and, under free competition, not barred in any way by tariff legislation, they will displace all other products on the tables of the wealthy."

The Premier summed up his policy in what he termed a truism: "All that we ask is to obtain for the man who works in the field the best possible remuneration for his labour." As to the diversion of trade from Canadian ports he asked how that could happen when, under a 60-year bonding system, goods were now free for export purposes at the ports of either country. As to railways Canada had the interior and the shorter and better lines and need not fear United States competition. The advantage to Quebec if it had free-trade in hay, was dealt with and upon the British preference issue he said: "England can give us a preference in her markets for our natural products if she chooses to change her policy; and then we are prepared to give her, upon

ner manufactured products, a corresponding advantage." He dismissed the most-favoured nation Treaties by pointing out that Canada's present trade with those countries was small; he deprecated talk about conservation of natural resources—the Indians were the first and great preservers of soil, water, forests and minerals. After a reference to the Conservative new-born love for Autonomy Sir Wilfrid concluded with words regarding Annexation which were much quoted in Canada and abroad:

> If my poor voice could be heard throughout the length and breadth of this country, and if, without presumption, it could be heard also beyond the frontier, I would say to our American neighbours that—flattering as may be to their pride the idea that the territory of the Republic should extend over the whole continent from the waters of the Gulf of Mexico to the waters of the Arctic Ocean: Remember that we Canadians were born under the same flag as were our ancestors, a flag under which perhaps they may have suffered some oppression, but which to us has been, and is more than ever, the emblem of freedom. Remember, that if you have founded a nation upon separation from the Motherland, we Canadians have set our hearts upon building up a nation without separation; that in this task we are already far advanced, with our institutions, with our national entity as a people, and with everything that constitutes a nation, to which we are just as devoted as you are to yours. Remember that the blood which flows in our veins is just as good as your own, and if you are a proud people, though we have not your numbers, we are just as proud as you are, and that rather than part with our national existence, we would part with our lives. If my voice could be heard that far I would presume to say to our American friends: There may be a spectacle perhaps nobler yet than the spectacle of a united continent, a spectacle which would astound the world by its novelty and grandeur, the spectacle of two peoples living in amity side by side for a distance of 4,000 miles, a line which is hardly visible in many quarters, with not a cannon, with not a gun frowning across it, with not a fortress on either side, with no armament one against another, but living in harmony, in mutual confidence, and with no other rivalry than a generous emulation in commerce and the arts of peace.

In succeeding speeches Mr. J. A. Currie (Cons.) dealt with comparative prices in Canada and the United States; the Hon. Wm. Templeman, Minister of Mines, defended the Agreement as affecting British Columbia and the fruit and other interests; Mr. R. L. Borden (Mch. 8) replied to the Prime Minister. He criticized the Pulp-wood clause, the alleged elimination of the British preference, the competition of most-favoured nations under Treaties which Britain would find it difficult to abrogate, the lack of mandate for a Reciprocity offer which was removed from the Statutes in 1897. He quoted Democratic speeches and policy in the United States to prove that these lower duties were coming anyway and declared once more that Canada's autonomy in fiscal matters was in danger. "No Canadian should be told that although he presents a substantial grievance it is too late to redress it, because a secret and unalterable tariff has been made at Washington! What should be the course of the Government at this time? Take the Census, give the West its increased representation, then submit this question to the people of Canada and let them decide." He then moved the following Resolution:

That the Reciprocal Agreement embodied in the Resolutions submitted to the House by the Minister of Finance on the 26th day of January last was also submitted on the same day by special Message of the President to the Congress of the United States of America, which was then in Session; that the said Session has now expired and Congress has failed to approve and carry out the said Agreement; that a considerable length of time must necessarily elapse before the said Agreement can be dealt with by Congress at a special Session; that the fiscal changes proposed by the said Agreement are of a far-reaching character and constitute a substantial reversal of the policy which has been approved by the people of Canada; that in the opinion of this House the said Resolutions should not be proceeded with until the electors shall have had an opportunity of pronouncing upon their merit.

The Hon. W. S. Fielding, Minister of Finance, replied and, in reference to Sir W. C. Van Horne's opposition to Reciprocity, declared that if the issue was one between Sir William and other "estimable Sirs" and the toiling masses of Canada there was no question where the Liberal party would be. As to the rest, and despite the current adjournment of Congress without passing the Agreement, he and the Government stood by their pledges to the United States President. "The President has tried his best to have it passed in the Congress that has just transpired; he means to do the same in the Congress that is to meet very shortly. We say, let us put this measure on our Statute book and then, if within a reasonable time the United States Congress fail to do their part, we shall be free to consider what next." Other speakers followed briefly and Mr. Borden's Resolution was then rejected by 111 to 70. Mr. Lloyd Harris, a Liberal member from the manufacturing centre of Brantford, came next and declared himself unable to support the Agreement. His reasons were, in brief, that no mandate existed from the people, that the negotiations were secret and the result arbitrary, that the policy was a breach of faith with the party, and a blow to Canadian pride. Upon the question of industrial protection and the alleged danger of an extended free trade area he was explicit: "I think the Right Hon., the Prime Minister (Sir Wilfrid Laurier) has stated that he does not intend to do anything with the duties on manufactured goods. I believe that is his firm intention but I tell you that no power on earth can keep any Government from giving the farmers, who are now going to have every vestige of protection taken away from them, their just claims when they come down here and demand that every other interest be put on the same footing. It would not be fair; it would not be right."

Succeeding speakers were H. H. Miller (Lib.), A. S. Goodeve (Cons.), and D. D. McKenzie (Lib.). On Mch. 13 Mr. F. D. Monk moved a Resolution in favour of immediate construction of the Georgian Bay Canal which the Speaker ruled out of order. R. S. Lake (Cons.), Andrew Broder (Cons.), G. H. Bradbury (Cons.), Ralph Smith (Lib.), George H. Perley (Cons.), followed. Mr. Perley, on Apl. 5th, moved a Resolution demanding

full and reliable information respecting prices and cost of production in Canada and the United States and the most-favoured nation countries, of products affected by the Agreement. It was voted down by 98 to 64 after Dr. Sproule had made the point of quoting a varied and lengthy list of United States interests heard in a similar connection before the Congressional Committee of Ways and Means. Mr. E. L. Cash (Lib.) on Apl. 7th quoted from official United States figures at great length to prove that agricultural prices were higher in the United States than in Canada; C. Jameson (Cons.), A. B. Hunt (Lib.), C. J. Thornton (Cons.), T. W. Crothers (Cons.), followed. Mr. Crothers' opposition (Apl. 10) may be summed up in the statement that Canada was doing well and had better run no risks. "Abundant harvests and high prices amply reward the tiller of the soil whose income increases much more rapidly than his outgo; the manufacturer thrives with large orders and satisfactory profits; artisans and labourers are fully employed at good wages; commerce is rapidly expanding and accounts are promptly paid; transportation facilities are increasing to meet the growing demand therefor; Inter-Provincial trade is active and strengthening the bonds of commercial friendship and national unity; trade with the Motherland is growing and adding to the vitality of the Empire; we govern ourselves and enjoy all the rights and privileges incident to British institutions without the cost of monarchy; for the upbuilding of its various parts, it is desirable to establish a system of preferential trade within the Empire which this Agreement would retard or prevent." Mr. Bradbury's summarized objections (Apl. 5) were chiefly as follows:

Because our wheat, cheese and other commodities would lose their identity in the United States, our natural products would be exported without manufacture, our national railways would be deprived of trade for which they were created, our ocean and inland marine would be seriously crippled, our canal system and our lakes, rivers and seaports would be robbed of their commerce, while British and foreign capital would not trust itself in a country so unstable in its fiscal policy; because it would be unfair to our farmers to place them in open competition with the cheap farm labour of such foreign countries as Japan, the Argentine, Russia, Denmark, Norway and others, from whom Canada would receive no reciprocal advantage whatever; because it is unfair to place our market gardeners in open competition with the cheap black labour of the southern States, as is proposed by the Pact; because all classes in Canada would have to pay tribute to the trusts and combinations which rule the prices of food and other commodities in the United States.

Messrs. M. Y. Maclean (Lib.), S. Hughes (Cons.), T. A. Low (Lib.), J. A. Sexsmith (Cons.), followed; Colonel Hughes dealing elaborately with the United States view of Reciprocity and with the Grain Growers movement of the West as being led by men who were, he alleged, Liberal partisans. Other speakers were Thomas MacNutt (Lib.), E. A. Lancaster (Cons.), J. A.

Robb (Lib.), A. M. Beauparlant (Lib.), William Wright (Cons.), J. P. Turcotte (Lib.), Thomas Chisholm (Cons.), W. O. Sealey (Lib.), D. Henderson (Cons.), H. E. Allen (Lib.), John Stanfield (Cons.), George Taylor, F. L. Schaffner, C. A. Magrath, A. Haggart, K.C., James Arthurs, J. D. Taylor, W. B. Nantel—all Conservatives, J. G. Turriff (Lib.) and William Sharp (Cons.).

Meanwhile, the Conservative Opposition had decided to force the Government to either abandon Reciprocity or appeal to the country. On Apl. 26th a Caucus was held at Ottawa and Mr. R. L. Borden gave out the following statement: "The line of action in fighting the Reciprocal proposal was discussed. There was a unanimous resolve and conclusion to offer firm and determined resistance to the proposals to the bitter end. The Conservative Party will make no truce on this question which involves the national existence of the country and gravely affects its relations to the Empire." Messrs. W. J. Bowser and W. R. Ross of the British Columbia Government were present and addressed the meeting. Parliament, at this time, was in the sixth month of its Session and little had been done but discuss Reciprocity. The Coronation was coming and it was desirable that the Prime Minister should represent Canada and be present at the ensuing Imperial Conference. But the fighting spirit was in the air. *The Globe* of Apl. 18 had already opposed any adjournment for the Coronation, or anything else, and on Apl. 27 the Liberal Caucus decided to accept the Opposition challenge and "fight to the bitter end"; while the Toronto organ of the party approved the decision and declared any other course "a tacit admission that Parliamentary Government in Canada is at an end." In the Commons on the following day the Prime Minister replied to Mr. Borden's inquiry as to his intentions: "I have taken passage on *The Virginian,* to sail on the 12th of May, and it is my intention to sail on that vessel unless prevented by public business." The Opposition Leader had stated the "uncompromising hostility" of his party to the Agreement; Sir Wilfrid responded with a statement of the "uncompromising support" of the Liberal party. He went on to say that under the existing rules of the House it was possible for the Opposition to block proceedings and legislation almost indefinitely. Mr. Borden's suggestion that the House be adjourned for two or three months, with interim supplies voted, was practically refused.

A deadlock appeared to be imminent—the Conservatives urging a truce and an adjournment; the Liberals disliking anything in the nature of a compromise and yet, without supplies, being more or less at the mercy of the Opposition. Finally, at a Liberal Caucus on May 5th, it was decided to adjourn Parliament for two months, from May 23rd to July 18th. About this time, also, the Conservative Premiers of British Columbia and New Bruns-

wick, and Mr. Rogers of the Manitoba Government, were in Ottawa conferring with Mr. Borden. On the day this announcement of what the Opposition called a surrender to their fighting was made, Mr. Borden entertained the Parliamentary Conservative party and some Provincial leaders at Dinner. It was a remarkably enthusiastic and confident gathering and the Leader's speech was strong and hopeful. He declared that Canada was confronted with the greatest issue since 1867, stated that the next Parliament would see several Provincial leaders helping the Conservative Party in the House, and announced his own coming tour of Western Canada. Messrs. McBride and Bowser of British Columbia, Rogers of Manitoba, Hazen of New Brunswick, and George E. Foster, spoke in the same spirit. It soon became an open secret that if the Conservatives continued their obstruction to the Reciprocity measure, when the House met, an Election would follow.

Promptly on the re-assembly of Parliament, on July 18th, Mr. Fielding moved consideration of the Reciprocity Agreement and was met by a Conservative amendment looking to recognition of the Fenian raid veterans. Other topics were discussed on succeeding days and Reciprocity itself was dealt with by Conservative members such as Uriah Wilson, E. Guss Porter, William Thoburn, A. C. Macdonell, K.C., W. S. Middlebro, A. C. Boyce, W. R. Smyth, S. Sharpe, Thomas Beattie, J. W. Maddin, Edward Kidd and J. J. Donnelly. On July 24th the Prime Minister stated that a Redistribution Bill was impossible until next year and that it was Reciprocity or nothing at this Session. "If the Opposition chooses to go on with tactics of obstruction, as they have been doing, then we shall have to consider what is to be done. And if, in the last resort, the only way is to appeal to the people and ask them to pass judgment between us and the Opposition, we are quite prepared and ready for it." The Opposition Leader, in reply, charged the Government with being afraid of Redistribution and increased representation. The Minister of Finance (Mr. Fielding) responded in part with a rather interesting reference to one branch of the subject: "But if, perchance, the manufacturers in their great power should unite in opposing and possibly condemning, or even defeating, this measure, then there will rise up in the Western country a storm-cloud bigger than a man's hand, and the end will be a change in the fiscal policy of the country which the manufacturers will find much greater than anything they conceived of." Mr. W. F. Maclean declared that this whole issue was not Reciprocity; it was Revolution. G. H. Cowan, A. S. Goodeve and J. W. Edwards (Conservatives) followed; Hon. W. Pugsley and W. S. Loggie (Liberals) also spoke. On July 29th the dissolution of Parliament was announced and this historic, long-continued and vigorous discussion terminated.

Mr. R. L. Borden's Tour of Western Canada

Meantime the Leader of the Opposition had arrived at Winnipeg on June 17th to commence a speaking tour of the Western country—supposed to be the centre and congenial home of Reciprocity sentiment—while the Prime Minister was just reaching British shores as Canada's representative at the Coronation. On his arrival at Winnipeg Mr. Borden was greeted by thousands of people at the station and in the street, by four bands and a procession of automobiles, by brilliant illuminations, cheers and all the evidences of great political popularity; a crowded Reception was held afterwards at the residence of Hon. Robert Rogers. The Conservative Leader was accompanied on this tour, or assisted in speeches at other points along the route, by George H. Perley, M.P., Chief Conservative Whip at Ottawa, Arthur Meighen, M.P., Andrew Broder, M.P. for Dundas, J. G. H. Bergeron, ex-M.P., an eloquent French-Canadian member of the party, W. S. Middlebro, M.P., T. W. Crothers, K.C., M.P. for West Elgin, W. D. Staples, M.P., Dr. W. J. Roche, M.P., and Colonel Hugh Clark, M.L.A., one of the ablest lieutenants of Sir James Whitney. On the 19th a great meeting was held in the Walker Theatre with Mr. Rogers in the chair and the chief Conservative politicians of Manitoba on the platform. The Chairman made a strong introductory speech, concluding as follows: "Before Sir Wilfrid Laurier and President Taft can dictate to the Canadian people and say we must no longer continue to follow the beaten path that has led us for half a century to England and closer British connection but that we must now follow the road that leads to Washington and Continentalism the Canadian people must, shall and will be consulted." Mr. Borden first dealt with matters of local and special Western interest and pledged himself as follows, if returned to power:

The day is not far distant when Manitoba, Saskatchewan and Alberta will receive from the Conservative Government at Ottawa the just recognition of their undoubted right to their public lands and natural resources. . . . Manitoba is entitled to the extension of her boundaries upon just and reasonable terms.

The Conservative Party has been committed to the construction of the Hudson's Bay Railway since 1896. The road will be built by the next Conservative Administration without one day's unnecessary delay. It will be operated by an independent Commission on behalf and in the interests of the people with full control of rates. We stand for the operation of the road by the Government through an independent Commission.

I have arrived at the conclusion that the desired result (in maintaining proper grades of wheat) can only be attained by State control and operation of the Terminal Elevators. We propose to carry out that policy, without delay, if returned to power.

We stand, also, for such aid and encouragement by the State as will place the chilled meat industry of this country upon a sound and healthy basis.

The Conservative Party, if returned to power, will establish a permanent Tariff Commission of able, independent and representative

men for the purpose of investigating and reporting upon all matters connected with the tariff. The tariff should be based upon business principles which will appeal to common sense and fairness.

Practically this was—with the addition of Reciprocity and an increased British Preference—the Western Grain Growers platform. Turning to Reciprocity, as the chief subject of present interest, Mr. Borden was concise, clear and comprehensive in its treatment. He described the Liberal policy during the past 15 years as (1) that Reciprocity was no longer desirable and no further steps should be made to obtain it; (2) that the surest and most effective way of maintaining United States friendship was to be absolutely independent of it; (3) that the true policy of Canada was to stimulate and guide its trade into British channels. For the Reciprocity Agreement there was no warning, no mandate, no cause. Why reverse the policy which had created prosperity and stimulated progress? "We say 'let well enough alone.' Not because Canada is standing still, but because material progress and development in Canada have been more rapid than in any other country in the world; because that progress has been well founded and stable and it has proceeded along a sure and certain path; because our present prosperity will continue and increase if we proceed upon that sure and well-known path; because the proposed diversion from that safe path of nation-building leads into a wilderness and labyrinth full of dangers and pitfalls."

Upon the wider market theory the speaker argued as follows: "Reciprocal trade preference within the Empire would give us the advantage of trade with countries which require our products and which can offer us commodities which this country does not produce. But the proposals of the Government are for reciprocal trade with a country which produces a surplus of nearly every commodity that we produce; a country that competes with us in the markets of the world in animal, agricultural, and food products. The United States has a vast area of tillable land still to be brought under cultivation. They can raise enough food products to support a population of 400,000,000 at the lowest estimate. It is a country in which, according to the statistical information furnished by the United States Board of Tariff Experts, prices of all agricultural and food products are lower than in Canada." As to the negotiation of the Agreement he was explicit: "In one country the Government goes into the negotiations fully prepared and furnishes to Congress complete, classified, statistical information as to the cost and prices of products in both countries and, generally, as to all conditions which require consideration. In the other country the Government, having rushed into the treaty with little information and less consideration, asks Parliament to follow its example. In one country every interest affected is given full opportunity to appear and be heard. In the other

country any interest affected is curtly informed that it is too late." The following quotations will summarize the elaborate arguments of an hour and a half against the Agreement:

Canadian autonomy and control over its tariff are lost by placing the latter, in matters affecting the Agreement, in the hands of the United States Congress and indirectly enabling the latter body to use its terms as a leverage to further control and widen Reciprocity.

There will be no Canadian products after this Treaty goes into force. All will be American. Canadian grain standards and reputation will be lost.

We oppose this Treaty because it encourages the export of agricultural and animal products in the lowest and least finished form, with the result that the finishing process will be performed in the United States and not by Canadian labour. Our cream will be converted into butter and cheese, our wheat into flour, not by Canadian labour but by United States labour.

We are opposed to this Treaty because it will increase the opportunities and powers of the United States Trusts in Canada.

We are opposed to this Agreement for the reason that we are paying a price which the United States are not prepared to pay. That price is the admission to our markets of the products of Austro-Hungary, Bolivia, Columbia, Denmark, Japan, Argentine Republic, Norway, Russia, Spain, Sweden, Switzerland and Venezuela, as well as all the British possessions. Many of these countries are large exporters of agricultural and animal products.

We are opposed because it destroys the hope of reciprocal trade preferences within the Empire and because its tendency is to disintegrate the Dominion, separate the Provinces, and check intercourse and commerce between the Provinces and between the East and the West.

We firmly oppose this Agreement because we believe that if carried to its logical conclusion it will lead to Commercial Union and Commercial Union will inevitably end in political absorption.

He concluded by a vigorous denunciation of the Premier's attitude on the Naval question, as indicated in an assumed Message to the King: "Speaking for you and as your representative he has dared to tell King and Empire that Canadians desire to enjoy the prestige and advantage of British connection and the protection of the British flag until trouble comes and then—to reserve the right to remain neutral. In peace we are to be part of the Empire; in war we shall find both honour and safety in a happy neutrality which will permit our forces to maintain a glorious inactivity while our flag is fired upon by armed foes." There was some interruption at the meeting but Mr. Borden overcame it and before the close of his speech entirely held the audience. This important utterance was the keynote of all his addresses throughout this Western tour—one which covered the centres of Manitoba, Alberta and Saskatchewan. Everywhere he was met by deputations of Grain-Growers, everywhere the same requests were submitted. He spoke at Carberry on the afternoon of the 20th and in the evening at Brandon met 300 delegates from the Farmers' organization. Lengthy Memorials were read, couched, so far as Tariff matters were concerned, in language for which the word vigorous would be a rather mild term. They asked for (1)

reduction and eventual abolition of Protective tariffs, (2) Reciprocity and an increase in the British preference, (3) state control and operation of Terminal Elevators, (4) construction of the Hudson's Bay Railway and its operation by the Government, (5) Redistribution as precedent to any General Election.

To the bulk of these requests Mr. Borden replied in the terms used in his Winnipeg address; those of local Western significance he accepted and promised to carry out if given power. Upon fiscal issues he took clear-cut exception to the views presented and placed himself on record in words which rang through the country: "I am absolutely opposed to Reciprocity and if the West were prepared to make me Prime Minister to-morrow, if I would support that policy, I would not do it." The Opposition Leader was at Estevan, Weyburn and Moose Jaw on June 21st, and Qu'Appelle, Indian Head and Regina on the 22nd. The Weyburn meeting was marked by a hint of disloyalty which was apparently not palatable to the most of the 500 persons present. Mr. James Smith of Yellow Grass, a prominent farmer of the district, presented the Grain Growers' Address. It dealt with the question of Reciprocity and stated that the chief object of opponents was to check the farmers' movement before it became too strong. The manufacturers and capitalists had long been coquetting with the parties at Ottawa, it was said, and Mr. Smith warned them to beware lest they met the fate of Samson. "Should Parliament refuse us justice we shall try other methods. By perfecting our co-operative associations we can unite in purchasing our goods abroad, pay the duty or taxes and thus refuse to pay tribute to the manufacturers."

He cited the trouble Britain had with her American Colonies in the 18th Century owing to the subject of taxation. It might be said that the farmers would fail. "If so we shall try something else. Much as we love Canada we may be driven to demand separation between the East and the West. The love of freedom is a powerful propelling force." At the Saskatchewan capital Mr. Borden promised in clear language the grant of Provincial control over Provincial lands and natural resources. Here the City was gaily decorated—partly in honour of the Coronation and partly for the Conservative Leader. A. G. McKinnon was Chairman and Mr. F. W. G. Haultain was upon the platform. Meetings followed (afternoon and evening) at Maple Creek and Medicine Hat on June 23, at Macleod and Lethbridge on the 24th, at High River and Calgary on the 26th. At the latter place 5,000 people were present and large crowds greeted the visitor in the streets. C. M. Tweedie, President of the Conservative Association, presided. At Medicine Hat, Alta., D. J. Wylie, M.L.A., occupied the chair and retracted his position in the Legislature. "I want to say that the Resolution was sprung upon us somewhat hurriedly. Sessions of the House were being held day and night. We did not have

time to consider it as it should have been considered; we came to a verdict on insufficient evidence." At Macleod Mr. Borden, who had been very patient under the continuous bombardment of Grain Growers' addresses, which were more or less repetitions of one another, took exception to some remarks as being "in a lecturing tone which might well have been omitted."

Lacombe and Red Deer were visited on June 27; Wetaskiwin and Edmonton on the 28th. At the Alberta capital the Conservative paper—*The Journal*—described the meeting as bigger than the one which Sir Wilfrid Laurier held in 1910 and added: "The signs that Mr. Borden is being accepted as the most practical and most honest statesman who has ever come to the West, are being witnessed everywhere he goes. The record of his Winnipeg meeting surprised all who heard it; he received at the very threshold to the West a welcome that the Prairie City had never before been known to give a statesman. At Brandon, Regina, and Medicine Hat he was welcomed in accordance with the utmost possibilities. At Calgary, at lowest computation, 5,000 people heard his message and he was hailed the next Premier of Canada. And, last night, Edmonton eclipsed all her former political receptions and filled her largest meeting place."

Vegreville and Lloydminster were reached on the 29th and North and South Battleford on the 30th. Mr. Borden was at Prince Albert on July 1st—after a non-political reception at Lanigan—and was warmly welcomed. One of the mottoes at the meeting—where J. E. Bradshaw, M.L.A., presided—read as follows: "Reciprocity, Retrogression, Ruin." Here, as in several other cases, S. J. Donaldson, a Conservative member of the Legislature who had supported the Reciprocity Resolution, announced his change of mind and heart. At the Regina meeting A. B. Gillis, F. C. Tate and A. E. Whitmore had also sat with their Provincial leader (Mr. Haultain) on the platform. On July 3rd Mr. Borden spoke at Rosthern and Saskatoon—the Grain Growers of the latter place using 55 minutes in presenting their well-known views and leaving the visitor 5 minutes in which to respond before the public meeting in the Rink. Some of the phrases used in denouncing manufacturers were rhetorical and others were explicit: "Manufacturers have their hands bloody with the life-gore of the farmers. . . . We regard Reciprocity as a measure of free trade and, therefore, endorse it. . . . Soon we will not only have Reciprocity but also a large reduction of the tariff on manufactured articles. This will have to come. . . . We deplore the action of Mr. Fielding in giving pledges to manufacturers that their products would not be touched." In his reply Mr. Borden showed obvious feeling as to the strong language used in some of the speeches. "I want you to understand that as far as the farmers of the West are concerned I have never spoken one word

of a disparaging character against them. In the second place I do not doubt the perfect good faith with which you hold your views. But I want you to understand that my convictions are just as dear to me as yours are to you. And, let me say further, that I am absolutely opposed to the Reciprocity Agreement first, last and all the time. I want to tell you that if you had 60 per cent. of the votes of Canada in your right hand and offered to make me Prime Minister to-morrow I would not support it." Amid cheers from a minority he declared himself in favour of an Imperial preference and national autonomy.

Meetings followed at Yorkton and Melville on July 4, at Birtle and Minnedosa on the 5th, at Grandview and Dauphin on the 6th, at Portage la Prairie and Gladstone on the 7th, Morden and Somerset on the 8th. The Melville meeting was marked by a Delegation asking for direct legislation, following a Referendum. On this matter Mr. Borden said he had an open mind. A practical application of it, however, was the desire of Conservatives that there should be a Reciprocity election. Reciprocity should not be put through a Parliament which was not elected on it. If the Referendum was a good thing he said he would expect the farmers to support the Conservative demand for an Election. In this he reiterated a statement made many times during his Western trip—that Reciprocity should be postponed and proper representation given to the West before a general election. During this return visit to Manitoba Mr. Borden was explicit in several references to Canadian industries. At Grandview he said: "I propose to throw the trade of this country as far as it can possibly be done into British channels; but I would not destroy a factory in Canada to build a factory in Yorkshire. I stand for Reciprocity within the Empire, and within the Empire I stand for Canada first." At Dauphin he put it in this way: "I am pledged to the legitimate protection of our own interests but am anxious to place our trade as far as possible in British channels." At Somerset Mr. Borden gave the press a Message which expressed appreciation of the cordial reception everywhere given him and continued:

The West is beginning fully to understand and realize the true meaning and import of the Reciprocity compact. When that realization or comprehension is complete the West will make short work of it. Since the commencement of our tour the tide of public opinion has commenced to run more and more strongly against the compact. Upon the questions of most vital moment to the West—the Hudson's Bay Railway the terminal elevators and the chilled meat industry—the policy of the Conservative party met with enthusiastic approval at all our meetings. The same is true of our proposal to establish a division of the Railway Commission with headquarters west of the Great Lakes, which shall have special jurisdiction over railway matters in the far western Provinces. Of the three political tours of the West which I have made in the past nine years I consider this by far the most successful and the most satisfactory in every way.

During this trip Mr. Borden had addressed 40 meetings and held 30 consultations, or meetings, with the Grain Growers Associations and United Farmers organization of Alberta; he had received 35 Civic addresses of welcome and a large number from political bodies; he had made a number of 5 minute speeches from the train and travelled 5,600 miles in the three weeks; he spoke to about 50,000 people altogether, while 25 subsidiary meetings were held in Manitoba. Everywhere the farmers were in evidence and the hostile feeling of the special organization represented was more or less obvious; everywhere the latter's advocacy of lower duties and reciprocal relations with the United States was strenuous and persistent. Almost everywhere the attention given to Mr. Borden's speeches was close and at least courteous. As to this tour an outside Conservative view of an interesting nature was given by the London (England) *Standard* on July 7th: "The Canadian Opposition Leader has triumphed over the greatest crisis in his political career. He has justified himself, he has revivified his party and, as we hope and believe, he has saved Canada both for herself and for the Empire. His speeches, indeed, are of the simplest texture. Running through all of them is the note of confident appeal to the great traditions of the men who confederated the Dominion and established the National Policy. In this simplicity lies their strength. The West is a new country, and in new countries men think little but feel strongly."

Provincial Policy and Action regarding Reciprocity

Early in the Reciprocity discussion the Provinces commenced to take sides through their Governments, Legislatures, and Party leaders. It was usually, but not always, along partisan lines. In Ontario the debate began on Feb. 2nd when Hon. A. J. Matheson, Provincial Treasurer, during his Budget speech expressed an obviously official view of the question. He referred to the Treaty of 1854-66, stated that Canadian imports and exports *via* the Ports of Montreal and Quebec had greatly decreased during that period, expected a similar and more extended process under the new arrangement—the Eastern Canadian ports to lose their North-West trade—and urged Liberal members, especially, to consider the possible injury to Canada. "One of them speaking to their Government has ten times as much weight as a member of our party." Mr. D. J. McDougal (Lib.) took issue with this view: "I hope that the Liberal Government will keep on looking to the interests of the agricultural portion of the community. I hope the Reciprocity Treaty will be ratified and that a magnificent market of 90 million people will be opened up to the farmers. This will increase the value of their farms and produce." Mr. A. G. MacKay, the Leader of the Opposition, at a meeting in Dundas on Feb. 11th deprecated Legislative interference in such matters. "As to little local interests they would have to adjust themselves." He scouted the idea put forth by some opponents

that reciprocal trade arrangements with the United States would lead to the disintegration of the British Empire. "How ridiculous, to think a man cannot ship an old horse over the line without shipping his nationality with it; or that if two men swap horses it will mean disintegration of both their families."

On Feb. 15th Mr. MacKay presented in the Legislature a long Resolution, upon various matters, concluding as follows: "This House deplores the growing tendency on the part of members of their Government to introduce Federal issues into our debates and regrets the organized attempt of Ministers and their supporters to discredit the Agreement for better trade relations between Canada and the United States which, if consummated, will prove so beneficial to Canada and especially to the agriculturists." Sir James Whitney, the Premier, followed in a review of the question from the national and Imperial points of view—quoting Annexation utterances at Washington and indicating his idea of the current situation as follows: "The two Dominion Ministers went to Washington thinking to pacify the Western farmers, and, to their monumental surprise, they found Mr. Taft prepared to go much further than they had anticipated. And so they brought back the dynamite in their suit-cases. A little bird is whispering that Mr. Fielding and Mr. Paterson are shivering in their seats at Ottawa." The life of Canada, he concluded, had begun through the death of Reciprocity in 1866. The Opposition motion was lost by a vote of 80 to 16. To the London *Daily Express* on Feb. 21st, in reply to an inquiry, Sir James cabled this opinion: "President Taft struck the keynote on the Reciprocity question when he said 'Canada is at the parting of the ways.' The idea hidden under this expression indicates the view held for many years by all intelligent Americans, namely, that when the proper time comes Canada will drop away from the British Empire like ripe fruit from a tree. Champ Clark said nothing more than has been said from day to day by the best men in the United States." Reciprocity would mean the undoing of the work of years. In the Legislature on Mch. 9th the Premier moved a Resolution of which the important part was as follows:

> Canada's tide of prosperity and contentment is still rising and her position and influence as an essential part of a consolidated Empire are becoming more assured. No arrangement with a foreign state should be considered which might even jeopardize the continuance of her present satisfactory condition, much less this Agreement for Reciprocity with the United States of America, negotiated in secret and without any authority from her people, which, if made effective, would in the opinion of this House to a large extent reverse the policy which has brought Canada to her present enviable position, would cause widespread and revolutionary disturbance in her business, would curtail and hamper her freedom in developing her own resources in her own way, would cause serious injury to many industries and to Canada as a whole, would check the growth and development of trade between the various parts

of Canada with each other and between Canada and the Empire, would result in Commercial Union with the United States, would weaken Canada's position and influence as a unit in the British Empire, would frustrate her hopes of nationhood within the Empire, and would lead to Political Union with the United States.

Sir James quoted freely from the speech by President Taft as to "parting of the ways" and from J. J. Hill's utterances and Champ Clark's speech. The aim of the United States was to gain control of Canada; Reciprocity was a means to that end; Canadians would have nothing to do with it. Amidst tremendous Conservative applause the Premier added: "Under a beneficent Providence, and while we are working out our political destiny, and pointing an object lesson to the other nations of the world; while we are working up to wonderful commercial prosperity, and when this wonderful prosperity has reached its zenith, a foreign potentate comes and says we are at the parting of the ways, and we must abandon the path our fathers trod and come into something entirely different before it is too late. The people of Canada will not respond to any such bidding." C. M. Bowman (Lib.) claimed that the Agreement would help the development of Canada and nothing else; R. R. Gamey (Cons.) declared that the United States would soon lower its duties anyway; J. McEwing (Lib.) claimed the opposition to Reciprocity to be a manufactured and unreal one—at the back of it was the manufacturers' fear that lower duties on their products would come next; W. H. Hoyle (Cons.) declared that he would rather treat with any other nation in the world than with the United States if the upbuilding of Canada was the object; Valentine Stock (Lib.) followed at length. On Mch. 10 W. H. Hearst appealed to the House on the ground that Reciprocity would injure Northern Ontario. "We have the richest manufacturing centre on the continent—when the north country, in which we are going to have towns and cities, has its factories ready to utilize its raw materials and to furnish a market for the farmers of the Province of Ontario. Reciprocity will not benefit the farmer in Northern Ontario. Sault Ste. Marie, with its great factory population, is largely supplied from the farms of Grey, Bruce and Huron. These farmers will lose that market and the farmers of Michigan will gain it."

The debate continued on Mch. 14th with W. Proudfoot, W. J. McCart, and T. R. Mayberry as the Liberal speakers and J. W. Johnson, A. H. Musgrove and T. S. T. Smellie as the Conservative speakers; on the 15th Dr. MacKay, Jacob Kohler, S. Clarke and A. Studholme spoke for Reciprocity while W. S. Brewster, Dr. Jamieson and Evan Fraser opposed it. On Mch. 17th the discussion was closed with an able and lengthy address from A. G. MacKay, the Opposition Leader. He claimed that Liberalism and the principles of progress demanded Reciprocity; that the only alternative "parting of the ways" was free trade within the

Empire, which meant ruin to Canadian industries; that the Canadians with raw material at their doors could compete with United States interests and especially in wheat, bacon, fruit and dairy products;; that Sir W. Van Horne, who invested money in Cuba, and Sir E. Walker who sent it to the United States, were not safe advisers; that there was no real financial fear of the issue or C.P.R. stocks would not be at the highest point in its history; that Canada's policy was not militarism but continental friendship and the arts of peace. He then moved a long Amendment of which the points were as follows:

1. That Canadian development and existing prosperity were due to the policy of the Laurier Government.
2. That in this latest evolution of policy Sir W. Laurier would have attained the objective of all Canadian statesmen since 1866.
3. "That Canada is, and for a long time will continue to be an agricultural country, producing a large surplus of food products which must find a foreign market, and the free entrance of such foodstuffs into the United States will result in a very material increase in the income of the farmers of Canada (who are the largest and most important class in the country) with a corresponding increase in the value of their farm lands and betterment in their condition of life."
4. That this result would be obtained with no restriction upon Canada in the matter of changing its tariff toward Great Britain or altering the Agreement with the United States.
5. That Reciprocity would increase the prosperity of all Canadians, attract more settlers to vacant lands, increase the carrying trade of the railways, build up a great paper manufacturing industry in Canada, and, "by cementing peace and concord between the two great English-speaking nations of the world, do a great service to the British Empire."
6. "That this House most earnestly deprecates the expression of views that the loyalty of Canada is a purchasable quantity, only to be retained by Great Britain by paying the price of a complete change in her fiscal policy and saleable to the United States in exchange for tariff concessions; brands such expressions as those of traitors to their King and country, and reaffirms that, by blood, by association, by the great heritage of language, literature, religion, social and political ideals, and by freedom, slowly broadening down from precedent to precedent, the people of Canada are unitedly, whole-heartedly and indissolubly devoted to British institutions, to the British Empire and to the Throne and person of our Most Gracious Sovereign."

By a vote of 75 to 17 the House rejected Mr. MacKay's amendment and by 74 to 17 passed the Premier's Resolution—one Conservative member having to leave to catch a train. Mr. Studholme (Lab.-Ind.) voted with the Opposition. Sir James Whitney, in his reply to Mr. MacKay, declared that the Liberal arguments were chiefly based on the difference in prices between Toronto and Buffalo. This difference was much greater between Chicago and Buffalo, or Chicago and Omaha, or New York and San Francisco. In dealing with the debates in Congress he said: "I am in a position, knowing the importance of what I say, to state that dozens of speeches containing references to Annexation were suppressed and never appeared in the *Congressional Record.*" Following the vote the members joined in singing "The Maple

Leaf," "Britannia," and, with the crowded galleries, "God Save the King." From this time on for three months Mr. A. G. MacKay carried through a vigorous campaign in all parts of the Province in favour of Reciprocity.

He was at Bowmanville on Mch. 11, and in West Toronto on Mch. 18th, when a vigorous attack was made on what he termed the "so-called Liberals" who were opposing the policy. "If capital raises its haughty front and says we ought to consider its interests before those of the masses, then I say, for Heaven's sake let us make the capitalist understand what we mean. I would rather see the good old Liberal party go down in defeat than see it crawling to capital. The Liberal standard is swung out clear of the corporations and trusts and stands for the mass of the people." He spoke at Zurich on Apl. 10, at Tottenham on the 11th, at Odessa on the 12th, at Markham on the 15th, at London on the 17th, at Kingsville and Windsor on the 18th, at Straffordville on the 19th and Aylmer on the 20th, at St. Thomas on the 21st and Woodstock on the 22nd. On Apl. 24th he was at Chesley, on the 25th at Walkerton, on the 26th at Lucknow, on the 27th at Brussels, on the 28th at Wingham, on the 29th at Dungannon and Goderich. The speeches made the best of the case and appealed, especially and directly, to the farmers. From this tour *The Globe* on Apl. 19th hoped much; of the Opposition Leader it declared that "with all the purely mental qualities of statesmanship he possesses, in a superlative degree, the peculiarly magnetic personality which is the source of power on the platform." Of the result it stated on May 1st that the Ontario farmer had decided "to give Reciprocity a chance." Favourable resolutions were passed at all the meetings.

Meanwhile British Columbia, another Conservative Province, had moved a little before Ontario. Mr. W. H. Hayward (Cons.) presented in the Legislature, on Feb. 3rd a Resolution as follows: "Whereas a provisional Agreement has been arrived at between Canada and the United States having in view reductions in the tariff on certain commodities and the free exchange of others; and whereas the proposed tariff re-adjustment will be highly detrimental to the agricultural interests by the flooding of the Canadian markets with American-grown produce of all kinds; and whereas the arrangement will inure to the disadvantage of British Columbia in several important respects without any compensating advantages in other respects; therefore be it resolved that a respectful Address be presented to His Honour, the Lieutenant-Governor, praying that he will be pleased to move His Excellency, the Governor-General, to take into serious consideration the effects of such proposed changes in the tariff." The mover deprecated the effect of Reciprocity on Provincial fruit, agriculture and timber interests. On the 6th Hon. Price Ellison, a member of the Government, declared that Reciprocity would para-

lyze the fruit industry of the Okanagan Valley and made this much-discussed assertion: "This Treaty has been brought about, chiefly, by a handful of people in Manitoba who have gone down and asked for it. I have heard that James J. Hill put up $50,000 to aid these people to go to Ottawa and raise a cry of free-trade. Why was it done? Because it would divert railway traffic from eastward and westward to northward and southward and so benefit Mr. Hill's lines." On the 7th H. C. Brewster, representing the Liberal Opposition of one in the Legislature, supported Reciprocity and declared that "the finest fruit in the world" would still have its market in London while he quoted Messrs. MacRae and Campbell, heads of two big British Columbia lumber concerns, to prove that there was no danger to that industry.

The debate was resumed on the 15th when Mr. Premier McBride attacked Reciprocity strongly. One point was made as follows: "While in 1910 the people of the Province produced a little over $11,000,000 of agricultural produce they had brought from the outside $14,000,000 worth and there was little encouragement for the Government of British Columbia to persevere in its efforts to develop agriculture and home supplies when they found those efforts destroyed by a trade bargain, many of the provisions of which had not been given the consideration to which they were decently entitled." As to fruit he was explicit: "This Agreement will bring the Provincial Fruit-growers into competition with Washington, Oregon, and California, all older communities where there are easier conditions for development, where labour is more plentiful and transportation cheaper. In this Province we have not yet come to full manhood in fruit-growing. We are, indeed, in our earliest infancy in this respect." He concluded by declaring that the true policy for Canada was one of closer union with the Empire; there was no necessity for the proposed change, it was ill-timed and ill-considered and should be deferred for further study by those responsible for it. Parker Williams (Soc.) thought the Agreement would benefit the Western farmers and hurt British Columbia; he would vote with his own Province. J. H. Hawthornthwaite (Soc.) deprecated Imperialism and would like to see the United States boundary line abolished; but the time had not come for this or for the destruction of capitalistic patriotism and he would, reluctantly, support the Resolution. It was then passed with only one dissentient. To the London *Daily Express* on Feb. 23rd Mr. McBride cabled:

Reciprocity will suddenly dislocate Canada's present trade and will divert a great deal of it to the advantage of the United States. This will also have an effect on our trade with Britain, our best customer, which at present absorbs the greatest part of our exports. It will not tend advantageously toward an early solution of the problem of Imperial federation. Undoubtedly the United States is actuated by a desire to secure greater control of Canadian resources and at the same time to

secure a larger share of the Canadian market for her manufacturers. On the other hand Canada's better plan is to trade as freely as possible with the Motherland and other parts of the Empire to their mutual advantage, instead of tying her hands with an outside country which may at any time decide to end the Agreement, with the result that Canada's trade would again be dislocated.

Manitoba expressed its Conservative opposition to the Agreement promptly and strongly. To the Toronto *News* of Feb. 4th Mr. R. P. Roblin, Premier of the Province, said: "I am opposed to it because it will naturally and necessarily pry us loose from British connection; because it will injure and make, in some cases, useless the millions that have been used to construct avenues of trade East and West and to develop inter-Provincial business; because it will foster and strengthen the feelings of the large number who are coming to us from the United States at the rate of 100,000 or more a year, to continue to sell their produce in the cities to the south of the line and to bring the supplies they require from the same source." In his Legislature on Feb. 13th the Premier gave an idea of the Provincial Government's feeling, during the debate on the Address: "I do not hesitate to say that a cloud, although not bigger than a man's hand, has appeared on the horizon, but I trust that it will pass away before it darkens the sun of our prosperity, dampens the ardour of our national youth, and bends the inclination of the people in a direction that a true Britisher would very much regret." On Feb. 20 Mr. T. C. Norris, Leader of the Manitoba Liberal Opposition, presented the following Resolution to the Legislature: "That this Legislature approves the Agreement for reciprocal tariff concessions between Canada and the United States made by the Governments of the two countries, and recommends it to the Dominion Parliament for immediate approval. And this Legislature also respectfully suggests to the Dominion Government that further consideration be given to the matter of the tariff with a view to further substantial reductions in the duties on agricultural implements or to a free interchange in these articles with the United States." A little later Mr. Rogers, Minister of Public Works, presented the following amendment:

Whereas it is desirable that the bonds of Empire should be strengthened, trade relations within the Empire fostered and developed, and the inter-provincial trade of Canada built up and maintained; and whereas it is the expressed wish and desire of the people of Western Canada to maintain a high standard of grade for their chief agricultural produce, namely wheat, and to prevent the mixing thereof to the detriment of our farmers; and, whereas, as a result of the proposed Agreement the identity of our Canadian wheat, such as will find its way to the United States, will become subject to the mixing practices in that country; and, whereas, better and more desirable relations could be obtained by and along the lines of the policy known as Imperial Preference which by freer (U. S.) trade will be prejudicially affected; and, whereas, Canada has spent and pledged its credit to the extent of hundreds of millions for the development of inter-provincial trade between the different Provinces from British

Columbia on the west to Nova Scotia on the east, which investments, securities and trade will be prejudicially affected; now, therefore, be it resolved that this Legislature is of the opinion that the proposed reciprocal Agreement is not in the best interests of the Dominion and that the prosperity and national development of Canada would best be served by the adoption of the policy known as Imperial Preference and by the freer extension of trade within the Empire; further, that the House regrets that the hands of the Parliament of Canada, in the matter of tariff, and especially agricultural implements, are unnecessarily tied by the proposed reciprocal Agreement.

In his speech Mr. Norris declared that the Premier did not represent Western opinion in his recent utterances; that if Western wheat went south under Reciprocity it would be to get a higher price and if it did not do so there was no need for anyone to be alarmed; that Mr. J. J. Hill thought the Winnipeg wheat market would go up in price to that of Minneapolis—an opinion he preferred to Mr. Roblin's statement that the procedure would be reversed; that according to Senator Young of Iowa $100,000,000 of United States money was awaiting Reciprocity to be invested in Western lands—an increase of $5.00 an acre; that a free United States barley market meant 30 cents a bushel more for Canadian barley; that Sir Donald Mann had said the increased population would compensate the Railways for any trade diverted to the south.

Mr. Robert Rogers, Minister of Public Works, replied at length. He declared that Messrs. Fielding and Paterson had bartered away, or tried to do so, the political liberty and fiscal freedom of Canada; that the Republican President of the United States was trying to save his party at Canada's expense and was pledged to lower certain duties anyway; that a few years ago the Liberals had claimed the Grand Trunk Pacific construction to be necessary in order to prevent diversion of Canadian trade to the south; that the price of wheat was made in Liverpool and not at Minneapolis; that the new policy was one of placing the natural resources of Canada open and free to the plundering of the United States; that American fixing and framing of Canadian tariffs and control of Canadian wealth could only have one end. He concluded an eloquent speech by quoting a Quebec poet as follows and moving his lengthy amendment:

Begotten of free-born peoples, the lords of the land and the flood;
We have mingled our blood in battles and sealed up the pact in our blood;
How are we then to squander our kingship, in the lure of an alien land?
To bring them our loaves and our fishes and bow ourselves under their hand?
Lord God of our Fathers be with us, rise up at Thy peoples' cry,
For blindness has stricken the nation and the doom of our land draws nigh.
Rise up ere it falls, Lord, and save us, and blast with the fire of Thy mouth
The treason, that barters our birthright for the gold of the Kings of the South.

Mr. T. H. Johnson (Lib.) followed on the 22nd and his chief argument was the allegation that 6,000,000 farmers in the United States were opposed to the Agreement and were afraid of the virgin soil and competition of Canada. He moved an Amendment to the Amendment, in favour of ultimate free trade within the Empire, which was ruled out of order. Mr. Premier Roblin followed in vigorous, root and branch, denunciation of the whole policy. He described the chief arguments for Reciprocity as two in number—(1) that it would contribute to the people's material welfare and (2) that when opportunity offered natural trade channels should be followed. As to the first he believed a few might benefit but 90 per cent. of the people would suffer. The Grand Trunk Pacific and the Canadian Northern would certainly be hurt greatly; the Canadian Pacific Railway might gain at Minneapolis what it lost at Winnipeg. Canada's ability to borrow British money would be clearly and quickly injured. The output of the mills of Duluth and Minneapolis was now one-half of their 150,000,000 bushels capacity; under Reciprocity they would take the other half from Canada's milling interests. As to prices of wheat the United States now had 200,000,000 bushels for export and the price was made at Liverpool; Canada's wheat would simply replace in the States so much more for additional export. In the matter of oats there were millions of bushels at this time stored at Chicago selling 2 cents lower than Canadian oats at Fort William. He concluded as follows:

> I am opposed to the Reciprocity proposition because it will unsettle and disturb our prosperity. I am opposed to it because it will lessen the securities of the Britishers who have poured their millions into Canada for her development. I am opposed to it because there is enough individuality and enterprise among Canadian people to maintain the enviable position that we occupy to-day. I am opposed to it because it appeals only to the sordid and the selfish side of our citizenship. I am opposed to it because it contravenes the spirit of our institutions. I am opposed to it because it will destroy our great inter-provincial trade. I am opposed to it because it will darken the sun of our prosperity; it will cloud the future with uncertainty, and divert, as it is intended to do, the channels of trade to the south of us into ways of which we know not and an end which may be more disastrous than financial loss, namely, the loss of our independence as a Dominion of the British Empire.

On Feb. 23rd Mr. Norris wound up the debate and Mr. Rogers' Amendment was then carried on a Party vote of 26 Conservatives to 12 Liberals while the House and galleries joined in singing "God Save the King." Later on (in June) Mr. Norris spoke at a number of points in Manitoba for Reciprocity. At Minnedosa, on June 28th, he declared it was not a party question, hoped eventually for Free-trade as they had it in England and urged the farmers and Grain Growers Association to stand to their guns. Reciprocity would, he believed, pass at both Washington and Ottawa and be enforced.

THE HON. FREDERICK DEBARTZCH MONK, K.C., LL.D., M.P.
Minister of Public Works.

THE HON. FRANCIS COCHRANE, M.P.
Minister of Railways and Canals.

In the new Borden Government, 1911.

Meantime, the Maritime Provincial Legislatures had been taking action. In that of New Brunswick on Mar. 23rd Mr. C. W. Robinson, Leader of the Liberal Opposition, presented a Resolution stating that: "This House desires to take this early opportunity of expressing its opinion that the ratification of the Reciprocity Agreement, now before Parliament, would greatly promote the prosperity of the people of this Province; and further, that it is desirable that there should be an increase in the British preference to fifty per cent. of the general tariff." A. F. Bentley, one of the Liberal speakers during the debate, declared that "the adoption of the Agreement now will mean an advantage of $1 per thousand to lumber shippers in New Brunswick." Lack of access to the United States market had injured the fishing industry in Nova Scotia and, no doubt, had affected that industry in his Province. He believed the coasting trade would grow up again and that schooners would be built for trade along the coast of the Bay of Fundy. "The natural market for the coal from New Brunswick and Nova Scotia is the United States, and Ontario should get its coal supply from the States of the American Union nearest to it." The Government opposed the Resolution and it was defeated on Apl. 5th by a party vote of 29 to 15. Speaking at Meductic on Mch. 24th Mr. J. K. Flemming, Provincial Secretary, gave the Government view as follows:

Our fertile lands are attracting tens of thousands of people annually. Our cities are increasing in wealth and population, manufacturing is making great progress, hundreds of millions of dollars have been spent in providing transportation facilities, our farmers have a good market and there is no demand for such a change in our tariff arrangements. Years ago we were not in such a fortunate position and we asked the United States for Reciprocity, we asked for freer trade. In return they gave us a higher tariff wall. Like any self-respecting people we then began working out our own destiny along other lines. We have succeeded, and to-day the eyes of the world are turned towards Canada. The attention of the United States is focused on Canada, they want our great natural resources to maintain their industries. We want Canadian raw material for Canadian industrial development, Canadian work for Canadian workmen, the Canadian market for the Canadian producer.

In the Nova Scotia Legislature, on Mch. 24th, Mr. E. H. Armstrong (Lib.) presented to the House, with its large Liberal majority, the following Resolution: "Whereas an Agreement for the interchange on a reciprocal basis of certain natural products between Canada and the United States has been concluded by the Commissioners of those countries and is now under consideration of the Parliament of Canada; and whereas the policy now proposed will open to large sections of our people and, particularly to our farmers, fishermen, and lumbermen, extended markets for their produce on fair and reasonable terms; and, whereas, this policy will undoubtedly assist in extending the trade and promoting in large measure the development of the resources of Canada; therefore be it [illegible] that this House do record its sincere apprecia-

tion of the efforts made by the Canadian Government through its Commissioners, the Hon. W. S. Fielding and the Hon. William Paterson, to bring about this mutual reduction of the tariff, and its belief that the consummation of this trade compact will be in the best interests of Canada, will redound most advantageously to Nova Scotia and will greatly extend our markets, thus securing incalculable benefits to our trade." The mover claimed that during the old-time Reciprocity treaty the local Fishing industry had grown by leaps and bounds and would again to-day under similar conditions. E. A. Wall (Lib.) seconded the motion—with remarks along the same line. On the following day M. H. Nickerson supported Reciprocity and gave figures to prove how the Fisheries industry had declined steadily when deprived of it. Mr. J. M. Baillie, Leader of the Conservative Opposition, denounced the Agreement. He dealt chiefly with its possible effect upon the local Coal and Steel industry with its 120,000 dependent people and the large revenues which it paid to the Government.

He moved the following Amendment: " And, whereas, it is the belief of this House that no Government should adopt radical changes in the tariff without first obtaining an express mandate from the people of the country; and, whereas, the proposed legislation provides for a reduction of the duty on coal and thereby seriously threatens the prosperity of the great coal and steel industries of Nova Scotia; therefore, resolved that this House deprecates the enactment by the Government of Canada of the proposed reciprocal legislation until such time as the people of Canada, at a general election, shall authorize such enactment." On Mch. 29th Mr. H. H. Wickwire, a member of the Government, claimed that developing natural resources through United States consumption was not losing them; that Annexation speeches in the States were made on purpose to defeat Reciprocity in Canada; that there would soon be a Provincial Election and with Reciprocity behind them the Murray Government would sweep Nova Scotia from Cape Sable to Cape North. Mr. Premier Murray followed and declared himself a believer in the Coal duties which he considered safe for some time to come. The issue was one of the classes against the masses and the latter would win. The House then voted the Amendment down by 31 to 4 and passed the Resolution by the same figures. Speaking at a banquet to himself on Feb. 21st the Nova Scotian Premier had, meanwhile, endorsed Reciprocity with enthusiasm, claimed that it meant much for the Province and a three-fold increase in the Fisheries industry to which one-third of the population was bound. " Hope is filling the heart of every man who follows the sea as a livelihood." Upon the loyalty issue he was clear and concise in opinion: " And yet there are men in this Province who would expect the honest toiler of the deep to listen to some befuddled arguments about endangering the British flag, or injuring the railways that run east and west. They

would even ask him to besmirch his sacred ballot by condemning a policy that means so much to him and the generations to follow him. Does anybody say that because the Nova Scotian fisherman sells his fish to an American at better prices that his loyalty is being injured?" To the Montreal *Herald* on Mch. 13th Hon. B. F. Pearson, a Nova Scotian capitalist and member of Mr. Murray's Government, pointed out that a period of scarcity was coming in the United States. "The time arrived a few months ago when some of the wise men of the nation took stock of the situation, and being cognizant of the inevitable hunger and scarcity of foodstuffs impending decided on a policy that would induce Canada to afford them assistance. In order that the people of the United States might be fed, it became necessary that corn should be brought from our virgin North-West to feed them." As to the manufacturers and the increasing opposition to the Agreement he had this to say: "The industrial interests of Canada who have enjoyed the monopoly of the Canadian market for forty years have forbidden the consumers to buy in the cheapest market; they now take another step and forbid them to sell where they make the most profit."

On Apl. 26 the Legislature of Prince Edward Island by 14 votes to 13, passed the following Resolution: "Whereas such Compact, if it becomes law, will open up to Canada a market for her surplus products to many millions of people thereby greatly benefiting the agriculturists, horticulturists, fishermen, and lumbermen of the Maritime Provinces; and whereas trade will be greatly extended and the development of our natural resources promoted by the policy of the free interchange of natural products; Therefore Resolved, That this Legislative Assembly strongly endorse the efforts of Messrs. Fielding and Paterson, on behalf of the Government of Canada, in securing terms so favourable to the material interests of the large majority of the Canadian people and to express the belief that the carrying into effect of such Compact will result in untold advantages to Canada as a whole, the Maritime Provinces in particular and more especially to Prince Edward Island." The Conservative Opposition, led by Mr. J. A. Mathieson, moved an amendment declaring that the proposed Reciprocity arrangement would injure the East and West transportation development upon which Canada had spent so much money; would check the growth of trade with Great Britain and subject the agricultural products of the Island to undue United States competition and to that of 12 other foreign countries; would remove protection upon the products which the people had to sell and make no reduction of duties upon those which they had to buy; would reverse the Provincial policy of encouraging the production of highly manufactured farm products and tend to create a retrograde system of agriculture by the sale of raw products; would cause a condition where any sudden change at the option of the United States might

create disastrous results; and would cause instability of prices and a growing subserviency to the American Congress. It was rejected by the party vote of 14 to 13.

In Saskatchewan the Legislature declared, unanimously, on Mch. 8th, in favour of Reciprocity—both parties joining to shape a suitable Resolution. Mr. D. M. Finlayson (Lib.) moved one embodying the general idea and, without affecting the sense, it was modified in certain terms with the following result: "That this House is of opinion that the proposed Reciprocal trade arrangement between Canada and the United States will be of benefit to the people of Saskatchewan; that, while expressing this opinion, this House is nevertheless of the opinion that the proposed arrangement does not fully meet the desires of the people of Saskatchewan with regard to general tariffs within the Empire; also, that, in the opinion of this House the said Agreement, by its promotion of the prosperity and development of Canada, will thereby greatly strengthen Canada's power for Imperial defence and thus directly assist the British Empire; and further, that in the opinion of this House the duties on agricultural implements should at an early date be further reduced if not abrogated." The mover declared that the opposition to the Agreement in the East was chiefly from interested manufacturers who had become rich through the tariff and at the expense of the consumer. He promised to make changes in the wording of the Resolution if they would induce the Opposition Leader to give his support—the only important change being the eventual elimination of eulogistic references to the work of the Canadian Commissioners at Washington. Mr. T. H. Garry (Lib.) seconded the Resolution and declared the farmers of the Province to be a unit in its favour.

Mr. F. W. G. Haultain, Leader of the Conservative Opposition—or as it was formerly called the Provincial Rights Party—stated that from the first announcement of the Reciprocity Agreement he had felt that "it was a move in the right direction" and, after reading many speeches made in other places, he now saw "no necessity to change his first impressions." He described Canadian politics as narrow and Provincial—a sort of fatuous localism. "Even to-day people in one end of the Dominion clamoured for the Agreement because it suited their own occupation and business, and people in the other end of the Dominion clamoured against it because it did not suit their particular industry or make for their interests." He thought, therefore, that he also was justified in taking the narrow view, "the more selfish view of the Western man." He dealt with the present prosperity argument by asking why not go in for more prosperity—could they have too much? He did not believe in disunion as a result of the Agreement nor would he accept any opinions he had yet heard as to Canada's future under its operation. As to the price of wheat he declared it to be regulated in Liverpool but added: "So

far as I can see I am inclined to think that for a time, at any rate, there will be a benefit in the price of Western Canadian wheat. But apart altogether from that, even if our farmers do not get one cent more for their wheat, I would consider it a desirable thing that their wheat should go to the United States because, eventually, there must be an important market there owing to the fact that the States will be obliged to restrict their exportation."

Mr. Haultain said he was ready to advocate the total abolition of the duty on agricultural implements. "The point about the Agreement which appeals to me is that it provides another market for the farmers and fishermen and other producers of food-stuffs throughout the whole Dominion. The great question is that affecting food-stuffs. To my mind it does not go far enough. I think there can be only one opinion as to the manufacturers pressing unduly on the people of the West." He argued at length against the Annexation fears of many people and in defence of the future loyalty and Canadianism of United States settlers in the West. Close trade relations would not create but would prevent closer political relations—through increased prosperity, contentment and loyalty. In conclusion, and amid loud cheers, Mr. Haultain said: "We out here are just as well able as magnates in the East; I say we are just as well able to decide what is patriotic and unpatriotic as they are. I am not prepared to sit at the feet of any of these eastern Gamaliels and study loyalty. If the proposed Agreement does not turn out as satisfactory as it is hoped or intended, it will be a simple thing enough to change it or to abrogate it. The arrangement can be done away with practically at once and that is another reason for trying the experiment."

The Premier (Hon. Walter Scott) followed and stated that he had not expected the debate to take a non-party line which was, therefore, all the more appreciated. He claimed that this Agreement was a greater matter than even the construction of the Canadian Pacific Railway; no interest would be seriously injured and even the fruit men of British Columbia would find their land leap in value to meet the higher levels to the south. He dealt with certain local interests as follows: "If Saskatchewan wheat is to go to Minneapolis there is absolutely no necessity for the grain to go through to Winnipeg. There is no reason whatever why the facilities for handling the exchange itself, and all the paraphernalia that are now to be found in Winnipeg, should not be located in some one of the cities of Saskatchewan, in Regina, for instance." If nothing else resulted from the Agreement it would give Saskatchewan at once the future and inevitable market for its wheat. As to the Annexation argument he declared that there never would be any danger in that connection if the incoming Western settlers were given freedom of trade. The only danger lay in the pressure of high tariff restrictions.

Mr. Scott devoted some time to a study of Mr. Clifford Sifton, labelled him the Chamberlain of Canada, described him as ambitious for wealth, power and fame, hinted at his possibly superseding Mr. Borden in Conservative leadership and expressed himself as "knowing positively that for a year past Mr. Sifton has been seeking a good pretext for breaking with Sir Wilfrid Laurier. Now he has found one." The debate was continued by F. C. Tate, A. B. Gillis and William Elliott of the Opposition with George Langley and H. C. Lisle of the Liberal party, and the Resolution was then passed unanimously. On Mch. 23rd the Legislature, in passing a unanimous Resolution in favour of Arbitration and Peace, included the following clause: "And further that this Legislative Assembly of Saskatchewan believe that one effect of the proposed Reciprocal Agreement between Canada and the United States will be to help to draw all the English-speaking nations into more friendly relationships, which is a consummation highly desirable, especially from the standpoint of the prospective, if not the existing situation, on the Pacific ocean, a situation of vital moment to Canada." A political aftermath of this discussion occurred at the Provincial Conservative Convention in Moose Jaw on July 7th when Mr. Haultain refused to accept the Hon. Vice-Presidency and a Resolution of unqualified opposition to the Reciprocity Agreement was approved.

The Manufacturers and the Reciprocity Agreement

There was no publicly organized demonstration of the Manufacturers of Canada against Reciprocity except in one deputation sent to Ottawa; there was, undoubtedly, the influence of industrial capital and industrial fears as to the future behind some of the opposing movements. Many of the 18 Liberals were manufacturers; some of the leaders in the Anti-Reciprocity League were manufacturers. Mr. W. H. Rowley, President of the Canadian Manufacturers Association, in a Montreal *Star* interview on Jan. 28th, denounced the Agreement as calculated to disturb industries, waste Canadian forests, fisheries, lands and waterways, and lead to Commercial Union with the United States. On the 13th of the same month, when Reciprocity rumours were rife, but before any Agreement had been come to, a Deputation waited upon the Government composed of W. H. Rowley, N. Curry, T. A. Russell, George Pattinson, G. D. Forbes, J. Kerr Osborne, R. McLaughlin, W. K. George, M. J. Butler, C.M.G., W. S. Fisher, W. Harty, M.P., F. Nicholls, D. R. Ker, C. C. Ballantyne, J. H. Plummer, C. A. Birge, Alex. Goldie, F. H. Whitton, W. J. Bulman, T. R. Deacon, J. R. Booth, R. J. Younge, and other representative manufacturers from all parts of Canada.

Mr. D. A. Gordon, M.P., in presenting the Deputation stated that the members of the Canadian Manufacturers Association had since 1900 invested $750,000,000 in pursuits which were now developing the country; Mr. W. H. Rowley stated that while

Practical Protection had been the origin and aim of the organization it now covered many fields of activity and varied national interests. Mr. T. A. Russell then read an elaborate Memorial stating that the Association represented $1,200,000,000 of invested capital and $1,000,000,000 of annual output, furnished direct employment to 435,000 artisans and work-people and distributed annually $250,000,000 in wages; and that it was opposed to any Reciprocity which would lower directly or indirectly the duties upon manufactured articles. As Canadians, they regarded the present as an inopportune time for the negotiation of a Reciprocity Treaty. "United States enterprises are developed to the highest state in point of capital, specialization of products and magnitude of operations. Canadian enterprises, because of their restricted markets, are not yet so developed and it would be obviously impossible for them to withstand the competition that would inevitably follow reductions in the present Canadian tariff. The United States already enjoys an enviable position in the matter of international trade. Dutiable products coming from that country into Canada are admitted under an average duty of less than 25 per cent., whereas they themselves in order to encourage and protect their own industries, have imposed an average duty of 43 per cent., the result being the present all-too-successful exploitation of the Canadian market by the United States people, as evidenced by Canadian trade statistics. Further, Canadian exporters are seriously embarrassed by the lack of facilities in the United States for transacting customs business and by onerous regulations requiring expensive entry fees, consular certificates, etc. Canada has made things easy for the United States exporter by establishing a port of entry in almost every town of any account while, practically, the only ports of entry in the United States are on the frontier where the duty has to be paid."

The industrial view was summed up as follows: "In its relations to the manufacturer, the tariff stands in exactly the same position as experimental farms, grain inspection, terminal elevators, facilities for chilling meats, cold storage, shipping, the Hudson's Bay Railway and a score of other things stand in relation to the farmer. With the request for Federal assistance in surrounding their (the farmers') industry with such adjuncts as will contribute to its advancement and their own prosperity, we are in hearty accord, feeling hopeful that with a better and fuller understanding of the situation they will speedily join hands with us in a firm stand for stability of tariff, diversified home industries, and strong home and Imperial markets." Opposition was expressed to any Tariff reductions or trade treaties which, at the existing juncture, would unsettle the prosperous conditions then prevailing. Mr. T. R. Deacon of Winnipeg, in speaking, drew attention to the growing industries of the West. Winnipeg now had 241 manufacturing establishments employing 14,800 hands

with an output of $36,000,000 this year. Brandon, Medicine Hat, Calgary and other Western towns were also rapidly building up and developing local industries. Sir Wilfrid Laurier, in his reply, drew attention to the immense divergence of view between the present Delegation and the Farmers who came to the Government a month before. Whose voice should the Government listen to? "For my own part I think it may be possible to conclude some measure of Reciprocity without injuring either the farmer or the manufacturer." Of course, the manufacturers who shared in this Delegation did not all oppose the ensuing Agreement. Strong Liberals claimed that industrial interests were not immediately affected and that they had every confidence in Sir Wilfrid Laurier's expectation that they would not be affected in the future. Mr. D. R. Ker, of British Columbia milling and grain interests, stated on Feb. 1st that "the principle of protecting industrial interests has been recognized."

On Feb. 3rd Mr. R. W. Breadner, Manager of the Tariff Department of the Canadian Manufacturers Association, issued a careful analysis of the Agreement in certain matters not then clearly understood and pointed out that "under the Favoured Nation Treaties made by the United Kingdom and Canada, any tariff advantages granted by Canada to the United States must also apply to the Argentine Republic, Austria-Hungary, Bolivia, Columbia, Denmark, Japan, Norway, Russia, Spain, Sweden, Switzerland and Venezuela. In respect to articles specified in Schedules B and C of the French Treaty any tariff advantages granted therein to the United States must also be granted to France, Algeria, the French Colonies and Possessions, and the Territories of the Protectorate and Indo-China. If the Agreement becomes law, further tariff advantages than provided in the French Treaty will be granted to France." On Feb. 6th the Executive of the organization met in Toronto and approved a public statement declaring the Agreement to be revolutionary in character and injurious to the best interests of the country:

The proposed Agreement looks toward dependence upon the markets of the United States rather than toward the expansion of our home market, which for years has demonstrated its ability to consume over 80 per cent. of all the farm produce we raise. It would divert a large measure of trade north and south which now goes east and west and west and east between the sister Provinces, and so help to build up United States cities, ports and transportation routes by directing thither the trade now carried through our own channels. But, apart from all these considerations of wealth, or material advantage, we feel that the substitution of intercourse with the United States in place of the intercourse which now obtains between our own Provinces as well as with the Mother Country and the sister Colonies, and the placing of ourselves under obligations to the United States in such a way as to prevent free and independent action on our part regarding questions of public policy, mean the beginning of a condition which will extend and which the United States will do all possible to extend until our very existence as a separate nation is threatened.

The Meat-packing interests had, meanwhile, been vigorous in their protests, and on Feb. 13 a Deputation waited upon the Government. Mr. J. W. Flavelle of Toronto read a Memorial of which the chief clauses were as follows: "(1) Under the proposed Reciprocity Agreement the trade of the Western Provinces now so important, and becoming increasingly so, will be lost to the Ontario and Quebec packer; (2) under Reciprocity packers in the Provinces of Ontario and Quebec would be put in a position which must cripple and later on destroy export trade, as the minimum buying price of hogs in Ontario and Quebec would then always be determined by Buffalo and other nearby United States markets; (3) we believe that, forced into lower values by the United States feeders, farmers in the Provinces of Ontario and Quebec would become discouraged and would ultimately largely go out of the business of hog raising." The ensuing discussion was infinitely varied. The Agreement was said to prejudicially affect the salt manufacturers, certain branches of the steel and iron industry, the paper manufacturers, the meat packers, the agricultural implement business and the millers. It was claimed that manufacturers of cream separators, coke and fish canners, the makers of ground and chemical wood-pulp, and lumber industries such as laths, shingles and sawed-boards, would all benefit. Of course, there were all kinds of varying opinion but it would seem that there really was a little fresh advantage given to the United States manufacturer in a market where he already sold goods pretty freely while holding his own market tightly. Hence the restlessness shown by the manufacturers—to say nothing of the vague fears as to the future which were so potent. A few of the expressions of opinion on both sides of this issue may be quoted here as showing the trend of public thought during this period:

Feb. 7.—J. O. Cameron of the Cameron Lumber Co., Victoria, B.C., tells *The Times* that "I have come to the conclusion that there is not one single line or provision in the Agreement which can affect, injuriously, the lumber and timber interests of Canada."

Feb. 9.—A. F. McRae, Managing Director of the Western Canada Lumber Co., says in the Victoria *Colonist:* "The British Columbia lumbermen will benefit greatly by reductions made by the United States."

Feb. 17.—In the Halifax *Chronicle*, W. J. Clayton, head of one of the largest clothing manufacturing firms in Canada, praises the Agreement. "So far as manufacturers are concerned, unless there is some further development of the Reciprocity Treaty by which American manufactured goods shall be able to cross the line, I do not think we shall be affected in any way. Indirectly, of course, we should be benefited."

Feb. 24.—T. A. Russell, of the Toronto Cycle and Motor Co., tells the Laurier Club, that, although, by three generations a Liberal, he cannot support the Agreement. "The fruit-growers are bound to be hit hard. The Treaty will strike a great blow at the Milling industry whilst the distinct individuality of

Canadian wheat will be lost in the new line of transportation. The bacon exporting trade will be struck a body-blow. It means, practically, the transfer of the cattle markets of Toronto to Buffalo."

Mar. 8.—President Stewart of the Quaker Oats Co., a powerful United States industry with large Canadian branch mills at Peterborough, states that the ratification of the measure practically means the closing down of their Peterborough plant. "That is to say, the plant of the Company in question is engaged to 80 per cent. of its capacity in grinding for export; and the new Agreement admits Canadian grain free to the United States but shuts out its products and by-products."

Mar. 18.—*The Monetary Times*, Toronto, makes this point: "For the first time last year, we believe, the exports of the neighbouring Republic's manufactures exceeded its agricultural exports. President Taft's somewhat unexpected warmth of greeting to the Canadian Ministers at Washington is thus easily explained. The proposed Tariff Agreement is, from the United States viewpoint, merely a sprat thrown to catch a whale. In other words the, apparently, considerable concessions made to Canada are the thin edge of a wedge which will later be hammered hard for the sake of American manufactured exports."

Mar. 20.—W. C. Allen, a Liberal of London and Sec.-Treasurer of the Western Wire & Nail Co. says: "With the shorter haul from Cleveland and Pittsburg, the American steel industries are already cutting into the Canadian trade, despite the protection that we have. . . . If Reciprocity comes into effect you will see this country flooded with American commercial travellers. They will not be able to sell to the Wholesale Houses, so the next thing will be sales to retail houses at wholesale prices simply to get some business. The question of profit will not enter into it. What they look at is the ultimate cost of production."

Mar. 23.—Mr. Douglas Campbell, of the Queen City Flour Mills, tells the Toronto *Globe* that Reciprocity will not hurt Canadian Milling interests and that his concern intends to erect a 3,000-barrel flour mill at Midland in the Spring.

Mar. 23.—The Montreal *Herald* (Lib.) points out that there is no Reciprocity in manufactures. "It is perfectly well established and admitted that our industries are not in a position to bear the unrestricted competition of American or British industries. It is on public record that all through his tour Sir Wilfrid proclaimed that there would be no Reciprocity in manufactures. It has been repeatedly affirmed that the American negotiators were told so and that they assented to the Canadian position as reasonable. It is manifest to any student of the Dominion's finances that we cannot part with the revenue the tariff duties bring in. Sir Wilfrid has declared that what has not been done will not be done."

Mar. 25.—The Toronto *News* (Cons.) deals with this issue as follows: "Is it not hurting the Canadian manufacturer to give his heavily capitalized and powerfully organized American competitors the free run of the country's raw material? Has not the Ministry gone out of its way to offer the United States extraordinary inducements to attack our natural resources? But for the tariff concessions made by the Ottawa Government the control of Canada by American trusts and combines would not be a present menace as it is to-day. This is not all. Government newspapers in the West promise radical reductions in the tariff on manufactures. If ratified the present Agreement will speedily be followed by a general lowering of the tariff all along the line."

Mar. 28.—The Toronto *Globe* describes the issue as follows: "The manufacturers have been safe-guarded against the duty-free competition they dreaded and the farmers have secured the duty-free entry of foodstuffs into the United States market that they desired. Mr. Fielding does not understand why the agitation should proceed. That it has its origin in the fear so crudely expressed the other day on the other side of the border by the American Protective League is undoubted. In both countries high protectionists fear that when the farmer no longer has 'protection' on natural products he will not be very favourable to protection on manufactured products."

Mar. 30.—The Toronto *Mail and Empire* says: "Direct evidence of the ill-effect the Reciprocity controversy is producing on industrial enterprise was afforded the Board of Control yesterday. The Alexander Brown Milling & Elevator Co., Ltd., which had arranged with the city for a 21-years' extension of the lease of its property on the water-front expiring in 1923, upon which it was intended to erect a large mill and grain elevator, writes the Board requesting an extension of time because the Reciprocity issue had seriously interfered with the flotation of the Company's bonds in England."

Apr. 22.—The Toronto *Globe* correspondent at Washington quotes as follows from a speech of Congressman O. W. Underwood of the day before: "The protective interests of this country know well that this Bill will make a break in the dyke; that when the protective tariff is removed, and the farmer stands out alone, without pretence of protection for his products, he can no longer be counted on to stand in the ranks of the protected monopolistic interests of this country."

May 1.—Mr. S. Morley Wickett, PH.D., manufacturer and author, makes to the Toronto *World* this statement: "As regards Bounties the country has yet to realize that under this Agreement all Bounties on lines affected by the proposed Treaty must be cancelled. This probably means the Fish Bounties as well. Another clause would not alone prevent the Government continuing its policy of Bounties, but prevent it, later on, inaugurating a policy of bountying, say, pulp, or any other commodity included in the present Schedules. Our hands would be absolutely tied."

June 7.—The Farmers' *Sun* of Toronto gives an interesting reason for the farmers approving Reciprocity: "If Reciprocity goes through an agitation will arise in the United States for the sweeping away of the whole system of Protection, and that country may become a greater influence than Great Britain itself in promoting Free-trade throughout the world."

The Farmers' Interests and the Reciprocity Agreement

There were a great variety of problems involved in this element of the controversy—the price of farm products with or without Reciprocity, the effect of United States competition, the indirect effect upon industrial protection, the special needs of the West, the interest of border communities in freer interchange, the possible influence of United States Trusts, the alleged existence of Canadian combinations. As to the first point President Taft in all his speeches declared that economic conditions being much the same in both countries free trade would not reduce the cost of food to the American consumer though it would steady prices and help the milling interests; the United States Democrats, who

actually passed the Agreement through Congress, had always claimed that lower tariffs would lower the level of prices though they did not press that point on the farmers at this juncture. United States opponents of Reciprocity argued that Canada was going to be the great wheat producer of the continent and that the United States would become the lower and undyked level into which this competitive flood would pour. The North Dakota Anti-Reciprocity Convention of Apl. 4th passed Resolutions of which the following were the chief sections:

> That the Agreement places our farmers in the position of competing in our own home markets with an alien people, upon conditions most advantageous to our competitors;
>
> That the Canadian producer, with his cheaper land, requires smaller investment, while his new, virgin soil returns greater yields with cheaper tillage, making the per bushel cost of his product much less than ours;
>
> That it blazes the way for the emigration of thousands of our people and millions of our wealth, to a foreign field;
>
> That it will reduce farm values by increasing the burden of the debtor, destroy incentive for the greater development of farm production, and lure to alien benefit untold millions of our wealth;
>
> That in trading our home markets of over 90,000,000 people (markets that are abundantly supplied by our own producers, markets that have been largely made and earned and which by every right and advantage belong to our own producers) for that of 8,000,000 Canadians with its doubtful increased advantage to the commercial and manufacturing interests, is not only unfair and unjust, but reprehensible.

Canadian advocates of Reciprocity consistently urged, during all the earlier stages of the discussion, and in the West to the very end, that higher prices would result to the Canadian farmer. The Agricultural papers of the Dominion, the Grain Growers organizations of the West, the Eastern (Jan. 5) and Western Ontario Dairymen's Associations, and most of the Stock Breeders' organizations, supported Reciprocity when it was first presented to the country largely upon this ground. The position of wheat and barley from the Ontario Liberal standpoint was thus put by M. S. Schell, M.P., in a party pamphlet: "Why is Ontario fall wheat ten cents per bushel cheaper in Toronto than it is in Buffalo? Take away the 25 cents per bushel duty and they will buy our white winter wheat for making cereal foods. The best malting barley has been selling in Toronto for 60 to 67 cents per bushel while in Buffalo the same grade is selling for 95 cents to $1.00 per bushel. Remove the duty of 30 cents per bushel and we should get nearly the Buffalo price. From 1876 to 1892, seventeen years, we sold to the United States 135,250,000 bushels of barley for the large sum of $90,000,000. During the next seventeen years, under the high tariff of the United States, we sold in round figures 7,000,000 bushels for only $3,000,000."

Mr. W. L. Smith, Editor of the *Farmers' Sun*, stated on Jan. 27th that "the best market in the world will be opened to all important lines of farm products with the exception of wool.

Instead of a duty of 27½ per cent. on mature cattle, of $1.50 per head on hogs, of 6c. per pound on cheese, of 25c. per bushel on wheat, and so on, we shall have complete free trade in these and similar articles. . . . All the advantages of the removal of the duty will not come to the Canadian producer, but enough will be secured to add 25 per cent. to the net profits of the average Ontario farm." Later in the year the Department of Agriculture published an elaborate volume of comparative prices in Canadian and United States centres which seemed to indicate that at various specified dates in 1910 and 1911 the prices of agricultural products and stock ranged higher on the American side than in Canada. In the Commons on Apl. 7 Mr. E. L. Cash (Lib.) produced elaborate data from various Dakota and Manitoba points (first used by L. B. Hanna of North Dakota in Congress) to prove the higher prices of wheat, barley and flax in the United States; he also compared the closing prices at Winnipeg and Minneapolis on dates throughout 1909 and 1910 to further prove the point as to wheat. Opponents of Reciprocity also quoted figures to prove that at specific places, on certain dates, prices were in favour of the Canadian farmer; but they did not make the same strong argument along this line as did the Liberal party. Mr. G. H. Perley in the Commons, however, on Apl. 6th, quoted (1) certain figures to illustrate this contention, while the Canadian Packing Companies also made public statistics (2) as to the price of hogs in Chicago and Canada:

I. FROM U. S. SENATE REPORT.	Average Canadian Price.	Average American Price.
Horses	$133.00	$108.19
Dairy Cows	43.00	35.79
Other Cattle	31.00	19.41
Sheep	6.00	4.08
Swine	11.00	9.14

II. PRICES OF HOGS.	Chicago Average Price per cwt.	Canadian Average Price per cwt.	Canadian Price above Chicago.
1901	$5.85	$6.70	$0.85
1903	6.00	6.07	0.07
1905	5.25	6.41	1.16
1907	6.10	6.85	0.75
1909	7.35	8.04	0.69
1910	8.90	9.11	0.21

In this general connection an outside expression of opinion was important—that of Mr. J. J. Hill. Upon the moot question of wheat prices he was explicit at Chicago on Feb. 15th: "The price of any commodity of which a country produces a surplus for export, is fixed in the market where it must be sold. The demand of the whole world for wheat meets the supply of the world in Liverpool market. This Liverpool quotation regulates wheat prices in all the markets of the world and is cabled to New York,

Chicago, Memphis, Duluth, Winnipeg and other principal markets of wheat exporting countries." In a speech at Minneapolis on Feb. 9th he went into details to prove this point: "The average farm price of wheat a bushel in 1909 in the North Atlantic States was $1.12. In the South Atlantic States it was $1.17. The average monthly quotation in Detroit was $1.57, in St. Louis $1.66. Now Detroit is well on the way towards Liverpool, nearly 600 miles nearer than St. Louis. But St. Louis pays 9c. a bushel more for wheat. There is no tariff between Detroit and St. Louis. The average value a bushel on the farm in 1910 for Iowa was 72c., Missouri, 78c. Now I am taking States that adjoin each other: Tennessee, 90c.; Alabama, $1.02; Oklahoma, 73c.; Arkansas, 85c.; Oregon, 72c.; California, 84c.; North Carolina, $1.01; South Carolina, $1.14. Will someone explain that the great difference in price, much greater than between Minneapolis and Winnipeg, was because of the tariff?". The Conservatives devoted most attention to the value of the Home market to the Canadian farmer, the possibility of United States competition, and the danger of a future destruction of Canadian industrial centres.

If, for instance, in 1909 the value of Canadian production in wheat, oats and barley was $289,144,000 and the total export was $84,907,000, it was obvious that the chief market for the farmer was at home. So with Hay in a production of $131,000,000 and an export of $600,000, or Live-stock (cattle, horses, swine and sheep) having a total value of $450,000,000 and an export of less than $11,000,000! It was claimed that much had been done by Governments for the farmer as well as by Tariffs for the manufacturer. An army of experts from coast to coast were teaching the farmer how to better his methods and increase his production. Experimental Farms, where all manner of crops and soils were being tested for the general benefit of the agricultural community, had been established and maintained; agricultural colleges of international reputation were built and maintained by the Governments; societies and associations, supported generously with Provincial funds, existed in every county for the purpose of bringing the farmers together and encouraging them to improve the quality of their products; problems of cold storage, the destruction of noxious weeds, the extension of markets, the spraying of fruit, drainage, and a hundred and one other questions, were handled by experts in the employ of the State and for the direct advantage of the farmers. In brief, between the Dominion and the Provincial Governments Agriculture was bonused annually in these directions to the extent of three million dollars. If, as the United States Department of Agriculture had recently stated, there were a billion acres of United States farm area and 46,000,000 acres now planted in wheat, where was the alleged 90-million market for the Canadian farmer? It was pointed out that between 1906 and 1910, inclusive, Canada exported to the United

States $650,863 worth of bacon and hams, meat and meat products, and imported $15,411,466 worth and that in 1909 the United States exported to all countries $166,521,949 worth of meat and dairy products. How under such conditions could Canada depend, it was asked, upon getting the best of a free trade agricultural arrangement?

There was no doubt of the Western agricultural view, so far as the majority of farmers was concerned, though with some variation in the case of Manitoba. The Grain Growers' organizations everywhere were practically unanimous. The Manitoba Association met at Brandon on Jan. 24-26 and, after the Secretary, R. McKenzie, had read a long communication from prominent Free-traders in England dated Sept. 3, 1910, and congratulated the Society upon its fiscal labours, an elaborate Report was read by Peter Wright of Myrtle on the Ottawa Delegation of Dec. 10, 1910, which he described as "the greatest gathering of farmers ever held in Canada or the world." The result as to Reciprocity was declared satisfactory and when, on the last day of the meeting, news came of Mr. Fielding's announcement in Parliament the cheers were loud and long.

On Mch. 2nd the Executive of this organization passed a Resolution condemning the stand of Hon. Clifford Sifton, the Winnipeg Grain Exchange, the Winnipeg Board of Trade and the Manitoba Legislature against Reciprocity, declaring that they misrepresented popular opinion in Manitoba and asserting that "the people of Manitoba will not be satisfied with anything short of (1) ratification of the Reciprocity Agreement, (2) complete abolition of duties upon Agricultural machinery and implements, (3) an increase in the British preference to fifty per cent." In this latter connection W. J. Tregillus of the United Farmers of Alberta told the press: "The farmers of Alberta will welcome the removal of the duty on cattle, horses, swine, sheep and poultry, for they have, within easy distance, a profitable market for live-stock. I believe that far more attention will be paid in this Province to stock-raising as a result of the removal of the duty and that our wealth will increase correspondingly. If I could have my way the international boundary would not exist in trade matters—there would be free exchange of all products between Canada and the United States."

James Bower, President of this organization, stated that "the placing of cattle on the free list would solve all the problems in that industry, and revolutionize the trade of America. Cattle free into Chicago would mean the solution of the freight difficulty." At Regina on Feb. 2 the Saskatchewan Convention of Agricultural Societies by a large majority expressed "approval of the proposed Reciprocity arrangements with the United States." The Regina *Leader* on May 31st quoted the Legislative Assembly of Saskatchewan, the Grain Growers' Association, the Agricultural

Societies Convention, the Union of Saskatchewan Municipalities, the Canadian Council of Agriculture in session at Regina, the Regina Board of Trade and "all other Boards of Trade in Saskatchewan which have voted on the Agreement" as in favour of Reciprocity. Against these were recorded the Conservative Associations of Moose Jaw, Regina, and East Assiniboia. The Saskatoon *Capital* and the Regina *Province*—Conservative journals—also opposed Reciprocity as did Mr. R. S. Lake, M.P.

Meantime the Fruit-growers of British Columbia had been passing Resolutions of protest, those of Nova Scotia seemed more or less indifferent, and those of the Niagara Peninsula organized a huge Delegation to wait on the Government. Most of the leaders in this latter movement were Liberals—notably W. H. Bunting, Carl E. Fisher, Robert Thomson, and W. D. Woodruff. On Feb. 10 this Delegation, which was larger than the more famous Farmers' gathering, waited on the Government and were introduced by W. O. Sealey, M.P. They numbered, according to the Toronto *Star* estimate, about 2,000 and presented a Memorial in which it was first stated that the "attention of the outside world has been drawn to the country largely through the medium of the fruit industry whereby many thousands of new settlers from Great Britain and other countries have been induced to invest their capital in fruit lands." The document went on to declare that free trade in fruits and vegetables would "most seriously upset present conditions and compel Canadian growers to seek other markets, to their great detriment and financial loss," and to point out that "many millions of dollars have been invested in this industry in the firm belief that the present, or equally satisfactory, duties would continue to be charged upon imported fruits and vegetables." The Government was urged to reconsider this portion of the Agreement and earnest speeches were made by D. Johnson, President of the Ontario Fruit-Growers Association who, with J. W. Smith, President of the Niagara Peninsula Fruit Growers Association, had signed the Memorial; W. H. Bunting, A. W. Pierce, T. Rowley and T. Delworth.

It was claimed that in Ontario, alone, 200,000 acres were devoted to tender fruits and vegetables, 50,000 persons engaged directly or indirectly in the business, $40,000,000 of capital invested and 15,000 persons employed. The Premier replied saying that this protest would have been more profitable had it come earlier and then referred to the different views put before him on this very point—fruit-growers from Norfolk County, the Annapolis Valley in Nova Scotia, and from New Brunswick, having two months before asked for Reciprocity. To whom was the Government to listen? "Of course, we are bound to listen to you, but after listening to you, my last word must be that it is impossible, absolutely impossible, that any law which is passed, that any agreement which is adopted, that any tariff which is made,

can be equally agreeable to all parts of the community. All must be prepared to make some concession to the common good." From the Annapolis Valley on Feb. 25th (Halifax *Chronicle*) came the voice of R. S. Eaton, a leading Fruit-grower, declaring that easy access to the great Atlantic centres of the United States would be an immense benefit to the Nova Scotia Fruit industry.

There was much discussion at this time regarding the Favoured-Nations and the Agreement. There was, finally, no doubt that the arrangement would have to apply (1) to the United States, (2) to the British Empire and (3) to twelve countries—Argentina, Austro-Hungary, Denmark, Norway, Sweden, Russia, Switzerland, Spain, Japan, Columbia, Bolivia and Venezuela. Some of them were certainly exporters of agricultural products; to what extent their admission to Canadian markets would be competitive or of the carrying coals to Newcastle nature could not be clearly proven. It was pointed out, however, that the 12 countries specified had a population of 307,000,000 while a portion of them had in 1908 produced 1,155,000,000 bushels of wheat. The United States in 1910 exported $347,000,000 of agricultural products and animals; Denmark, Argentina, Austro-Hungary, Japan, Russia and Sweden in 1909 exported $512,000,000 worth of butter, cheese, eggs, animals, grain, vegetables, fruits, hay, etc.; Australia, British India and New Zealand, whose agricultural products would also come in under the Agreement, exported $140,000,000 of these products. Hence the Prime Minister's successful effort to get a Resolution through the Imperial Conference asking the Imperial Government to denounce the Favoured-nation treaties. Some miscellaneous opinions, Resolutions and statements along agricultural lines may be summarized here:

Jan. 10.—In a Toronto *Globe* letter, R. McKenzie of the Manitoba Grain Growers Association, gives a Western free-trade view: "It is assumed that 75 per cent. of farm products in the West goes to the purchasing of home comforts and manufactured articles required on the farm, all of which are subject to Customs duty. Then it follows that one-fifth, or one bushel out of every five that the farmer raises for that purpose, goes to the manufacturer as a tribute."

Jan. 19.—A Delegation of Farmers from Lincoln, Kent and Peterborough —3 Ontario counties—interview Sir Wilfrid Laurier and tell him that the voice of the West is not the voice of Canada.

Jan. 27.—S. B. Hatheway, President of the New Brunswick Farmers and Dairymen's Association, says: "The Agreement arrived at will be of the greatest benefit to New Brunswick, and will do much to improve agricultural conditions. It will mean the dawn of a new era for the farmers of New Brunswick."

Feb. 3.—The Clydesdale and Ontario Horse Breeders Associations reject Resolutions denouncing Reciprocity.

Feb. 4.—The Toronto Branch of the Ontario Vegetable Growers' Association declares that the Agreement "while entirely removing all import duties from our products, makes no reduction whatever in the duties on most of the machinery and supplies and necessary equipment for our business, all of which are very largely imported."

Feb. 7.—The Dominion Cattle Breeders Association at Toronto discuss but express no definite opinion upon Reciprocity.

Feb. 10.—In a Toronto interview G. P. Smith, M.L.A. (Lib.) for Camrose, Alta, declares Reciprocity "the greatest thing that ever happened," and thinks the British preference should be doubled.

Feb. 18.—W. A. Black, General Manager of the Ogilvie Flour Mills, claims that the United States will never be a serious importer of wheat. "If the United States on a yield of 15 bushels and an acreage of 49,000,000 produces 735,000,000 bushels and has out of this 100,000,000 bushels or more for export, and with improved methods increases her yield to the lowest average of England (30 bushels) on just the same acreage, it means a crop of 1,470,000,000 bushels and an exportable surplus to swamp the entire importing countries of the world."

Feb. 22.—At Buffalo, N.Y., Mr. James Wilson, United States Secretary of Agriculture, makes this statement: "The advantages that will come from Reciprocity to the people of the United States will be, first, access to the Canadian woods. Then there will be access to the Canadian markets for our fruit with free fish, free trade in seeds, free trade in flax, free barbed wire fencing, free trade in horses. This last will give us a market for our draft horses in those new Provinces that are being opened up. The citrous fruit grower of California will have the northern market open to him. The producer of grain north of the line will have the southern market open to him. Those in the corn belt of the United States can look to the north for the stock steers. The settlers who are developing Saskatchewan, Alberta and British Columbia will get cheaper farm machinery from us, and cheaper draft horses from us. I am firmly convinced that it would be to the advantage of both countries for us to take the export wheat of Canada, mill it and send the flour to the markets of the world, because the dairymen of the United States would then get the by-product of the mills and, as the population of the United States increases, the dairy market will be greater."

Mar. 1.—The Report of the Tariff Board of the United States Senate (Document No. 849) indicates in an elaborate statement that (1) grain prices are generally higher in the United States than in Canada but vary greatly at different centres and in different States of the Union; that (2) prices for horses and dairy cows are better in Canada; that (3) live animals generally range higher in Canada than the States and higher in Ontario than in New York State.

Mar. 15.—The *Weekly Sun*, a determined agricultural advocate of Reciprocity, describes the issue as one of the magnates and protected interests on the one side and farmers on the other. "Like the silversmiths of Ephesus they (the Interests) fear that their whole craft is in danger. They see that the promised success of the agitation by farmers for the opening of the American market to farm products may be a prelude to an assault on the whole citadel of Special Privilege. They see that with the first concession secured, railway subsidies must go, bounties must be ended for good and all; the general tariff under which water-logged combines have been built up will be scaled down. They see, in short, the end of a system under which wealth created on the farm has been diverted into a few great city reservoirs."

Mar. 17.—In an address before the Economic Club, Portland, Maine, John Ball Osborne, Chief of the Bureau of Foreign Commerce of the State Department, and a Member of the Reciprocity Committee, estimates that Canada's total imports in 1915 should be about $540,000,000 and that the United States will supply $350,000,000,

or sixty-five per cent. of these imports. This is said to be an extremely conservative estimate and would be augmented to $400,000,000 by assuming that the United States share will be at least seventy-four per cent.

Mar. 22.—The *Grain Growers Guide*, organ of the Western farmers under the heading of "Reciprocity; Then the Rest," says—after reference to the reduction of duties in the Agreement: "The farmers are not satisfied with this, but they are sensible enough to take what they can get at present and then force the Government to give them more when the Agreement is ratified. . . . The farmers of Canada accept the Reciprocity Agreement only as a part of their demand. They are thoroughly aroused to the injustice of the Protective tariff and no Government will live long in Canada that does not recognize it."

Mar. 24.—Lewis Wigle, ex-M.P., an old-time Conservative, writes to *The Globe* from Leamington that Reciprocity would be an immense benefit to Canada. On the Fruit question he says: "There is no doubt in my mind but what the good, fresh, solid, well-flavoured fruits grown along the shore of Lake Erie would run the southern American fruits out of the markets of Detroit, Cleveland and Buffalo and make the farmers in the States who now supply these markets pay freight to Winnipeg instead of our farmers doing it as at present."

Apr. 3.—The Manitoba *Free Press* in a voting contest on Reciprocity receives 2,451 votes for and 551 against.

Apr. 4.—The Toronto *News* makes this statement: A United States Government Report shows that in the last decade farm land values rose much more rapidly in the Dominion than in the Republic. Between 1900 and 1910 the prices of land advanced as follows:

	p.c.		p.c.
Maine	67	Nova Scotia	181
New Hampshire	37	New Brunswick	120
Vermont	33	Prince Edward Island	70
Michigan	39	Quebec	80
Minnesota	77	Ontario	43
Alberta	185	Manitoba	123
		Saskatchewan	201

Apr. 10.—The *Canadian Farm* of Toronto takes a post-card vote on Reciprocity all over Canada with 1,588 in favour and 840 against.

Apr. 12.—The Ingersoll Packing Company, Ltd. (C. C. L. Wilson, Managing-Director) publishes the following statement of prices for Hogs paid by Boyd Luneham & Company, Chicago, and by themselves at Ingersoll:

Year.	Chicago Total Receipts.	Chicago Average Delivered at Chicago.	B. L. & Co. Average Delivered at Chicago.	I. P. Co. Average Delivered at Ingersoll.	Chicago Price above Ingersoll.	Ingersoll Price above Chicago.
1901....	$8,290,494	$5.85	$5.71	$6.70	....	$0.85
1902....	7,895,238	6.85	6.76½	6.68	$0.17	....
1903....	7,325,923	6.00	5.88	6.07	....	0.07
1904....	7,238,746	5.15	5.04	5.32	....	0.17
1905....	7,725,738	5.25	5.18	6.41	....	1.16
1906....	7,275,063	6.25	6.23	7.17	....	0.92
1907....	7,201,061	6.10	6.09½	6.85	....	0.75
1908....	7,131,465	5.70	5.36 1-3	6.87	....	1.17
1909....	6,619,018	7.35	7.53 1-5	8.04	....	0.69
1910....	5,586,858	8.90	8.59¾	9.11	....	0.21

Apl. 17.—A summary of articles published in the Montreal *Star* show that farms sell at $31 per acre in Nova Scotia as against $25 in Maine, at $32 in Prince Edward Island as against $24 in Vermont, and at $43 in Quebec as against $25 in New Hampshire.

Apl. 24.—The Manitoba *Free Press* publishes statements from a letter widely distributed in the Northern States and signed by N. Merriam, President of the Merriam and Millard Elevator Co. of Omaha, in which Reciprocity is freely denounced and Canada's advantages under the Agreement pointed out: "In a word Reciprocity places the Canadian farmer not only in direct competition with the American farmer in the latter's home markets, but gives the Canadian farmer the advantages of the superior quality of grain and shorter distances to our eastern markets. These markets, which we now propose to give away to our Canadian neighbours for nothing, have been the largest factors towards the building up of our Western country. It is estimated that the depreciation in the values of wheat, oats and corn since Reciprocity has been agitated in the United States will exceed 60 million dollars ($60,000,000). As grain depreciates in value so will the land on which it is raised. The lessened values of farm products will be felt by nearly all manufacturing industries. This will in time affect labour because necessities and economy will be the motto."

Apl. 26.—*The Globe* publishes the figures of Canada's barley exports to the United States from 1876 to 1892, when the McKinley Bill hurt the trade, and shows a shipment in those 17 years of $90,323,453. From 1893 to 1909—another 17 years—the total export was $2,908,171. "With barley on the free list it is certain that our old market for this grain would again be fully restored. Ontario with its greater capacity would grow more than ever before to supply a larger market for consumption and Manitoba, Saskatchewan and Alberta would join it in the same American market, increased in population by close upon 29 millions since the McKinley Act destroyed the trade twenty years ago."

May 15.—The Toronto *News* addresses the following argument to farmers: "Under scientific methods the agricultural output of the United States is rapidly rising. Last year the Republic produced 737,000,000 bushels of wheat as against 664,000,000 bushels the preceding year. Last year the United States exported $133,191,330 worth of breadstuffs and $347,442,923 worth of all kinds of farm products and animals. Of this output the exports to Canada totalled $33,755,743."

June 7.—The Board of Directors of the B. C. Fruit Growers' Association, meeting at Kamloops, declares by Resolution that "the proposed reduction in duties will have the effect of reducing the prices of our products in Canadian markets and is detrimental to the Fruit industry of British Columbia."

June 24.—The following figures are quoted from the United States Senate Report—Document 849—to prove the better position of the Canadian farmer without Reciprocity:—

Average Value per Head, for Year 1910.	Horses.	Dairy Cows.	Other Cattle.	Sheep.	Swine.
Maine	$125.00	$33.00	$16.90	$3.70	$11.50
New Brunswick	131.00	34.00	28.00	5.00	12.00
New Hampshire	106.00	36.20	20.30	3.70	11.50
Vermont	106.00	34.20	14.40	4.00	10.00
Quebec	139.00	31.00	31.00	6.00	13.00
New York	125.00	39.50	18.20	5.00	11.50
Ontario	133.00	48.00	34.00	7.00	10.00
North Dakota	114.00	33.90	20.50	4.00	11.00
Manitoba	107.00	40.00	23.00	7.00	13.00

July 3.—Mr. J. E. Johnston, ex-President, Ontario Fruit Growers Association, in an interview at Simcoe, declares himself in favour of Reciprocity. "Our gain from the business standpoint is clear. More customers mean more trade. For fifteen hours'

run we have only a population of 5 millions to consume our products, while in the event of Reciprocity the same run would place us within reach of 60 millions more. The fact that Canada's northern position renders her capable of growing a hardier class of fruit, especially apples, coupled with the certainty that the American fruit market will never be subject to sudden fluctuation, convinces me that in the wider competition that will follow the enactment of Reciprocity, Canada has nothing to fear."

July 26.—The *Weekly Sun* argues for Reciprocity as follows:—"The cities of Chicago, Port Huron, Detroit, Cleveland, Toronto, Buffalo, Niagara Falls, Rochester and New York have, meantime, multiplied their population over and over again. The great iron and coal industries of Pennsylvania have been developed. All these great centres are within reach by 'phone from Canadian farms. The produce of these farms can be collected one day and turned into cash the next. In the face of a duty of 25 per cent. the most valuable car of horses taken out of Durham County last year was sold in New York. A slight reduction in the duty on cream caused Ontario's export of dairy products to the United States to jump from a mere nothing to some $3,000,000 in a few months."

Summing up the situation from the agricultural standpoint, as the Elections loomed on the horizon, it would seem that there were, as usual, many sides to the question. That many farmers would find trade greatly facilitated and the export of their products simplified was unquestionable; that Canadian natural resources, including agricultural products, would be more readily available for United States exploitation was obvious; that the United States in its current export to Canada of over $50,000,000 a year worth of coal, raw cotton, corn, lumber, hides, furs, etc., already gave some of its natural products to the Dominion was, also, clear; that there were enormous possibilities of increased export and competition from the 90,000,000 people of the United States and the Favoured-nation countries was as obvious as the contention that a 90-million market might, in itself, be desirable; that the facilitating of wheat transportation to the South would be a convenience to the Western farmer was probable though the claim of an increased price was at the least a doubtful one and it was quite certain that the high grade reputation of Canadian wheat would be injured; that the Millers had reason to fear United States competition was undoubted but the existing American rebate of 99 per cent. on Canadian wheat, ground into flour by American mills for export, somewhat weakened the force of the argument; that the Canadian export of barley, oats, flax, to the United States, would increase was probable and so with dairy products, fruit and vegetables but it was obvious that in most of these products Canadian imports would also increase; that the effect in all these lines of trade was more or less dependent upon United States conditions, demands and prices seemed clear as did the fact that United States Trusts would prove a vital element in the situation. To the Canadian farmer the Meat Trust, the Flour Trust, the Fish Trust were only

names—perhaps hardly that. Under Reciprocity they would be serious factors.

British and Imperial Interests and Reciprocity

The farmer's first thought in the Reciprocity controversy and that of the manufacturer or artisan was naturally as to his own business interests or labour conditions at the moment and his increased returns or otherwise under the Agreement. After that came other considerations—national and Imperial, political and personal. The question of loyalty to the Empire or the Flag was not involved as a principle; it might, of course, be concerned as a matter of underlying currents in a policy which was declared to mean commercial alienation from the Empire. The issue appeared to involve and was claimed to involve vital indirect results to the future of the Empire but this claim did not and could not assert that those who disbelieved it were deliberately disloyal to British and Canadian unity. One direct result in an Imperial direction Reciprocity did undoubtedly insure—a serious if not fatal blow to an Empire fiscal preference policy. But this was essentially a party issue. The English Radical settlers of the Canadian West were at one with their Liberal friends at home in denouncing British Tariff Reform and the Imperial Preference —even for their own products—which was an essential part of that policy. Moreover, many Canadian Conservatives were not prepared to go very far in meeting such a policy, if it became practicable in England; with them protection to Canadian industries came first and foremost. That President Taft and J. J. Hill and the United States press saw the issue clearly as it affected British tariff policy and the dreaded British duties upon United States farm-products was an incident, though a serious one, in the elements which enabled Reciprocity to be negotiated and to pass Congress.

Hence the deep interest of British politicians and Canadian Imperialists in this question; hence the inevitable and strongly felt loyalty cry of the ensuing Elections; hence, perhaps, the special pleasure of some free-trading elements in the Liberal party such as the Toronto *Globe,* thousands of Western grain growers, politicians such as the Hon. S. A. Fisher, and others who had never concealed their theoretical beliefs in this respect. President Taft as a foreigner and an exporter wanted Tariff Reform killed in Great Britain; many Canadian Liberals felt the same way and hoped, vaguely, to strengthen Britain as the last citadel of Free-trade policy in the world; while British Liberals expressed undisguised satisfaction over the negotiations and the Agreement. The Cobden Club in an official communication to the Manitoba Grain Growers Association dated Apl. 4 and signed by its Chairman, Lord Welby, expressed enthusiastic pleasure over the arrangement: "We are glad to think that there appears to be every prospect of the important Reciprocity agreement bein

accepted both in Canada and the United States of America. We see in this extension of freer trade relations mutually advantageous to two great trading communities, the first step, as we earnestly hope, of more complete free-trade not only on the North American continent, but between that continent and the rest of the world." Officially the British Liberal attitude was satisfied and staid. Mr. James Bryce, the cautious and popular British Ambassador at Washington—a Free-trader, however, by instinct, conviction and tradition—reported to his Government on Jan. 22nd when the negotiations were just completed that:

> As at present advised I am disposed to believe that British interests are not to any appreciable extent prejudiced. No opportunity was lost in the course of the negotiations of reminding the Canadian Ministers of the regard which it was right and fitting that they should have to Imperial interests. The arrangement still rests in reality on a growing realization of the fact that a high tariff wall between contiguous countries whose products are economically interchangeable is an injury to both and opposed to sound fiscal principles. In so far as the arrangement oversteps this basis it is probably influenced and will at any rate be publicly justified and defended in the United States by the traditional policy of the United States of promoting closer economic relations with the States of the western hemisphere. That such a policy is not counteracted by and does not check the rapidly-growing sense of national consciousness and international importance in the peoples of those States has of late been abundantly proved. No more in Canada than in the Republics of Latin America, to which the United States Government has sought to extend its Pan-American propaganda, does there seem a likelihood that a freer interchange of commodities will lead to closer relations of a political kind.

In connection with these negotiations it was charged by British and Canadian Conservatives that Mr. Bryce aided in the creation of an Agreement which (1) would injure British trade by making Imperial Reciprocity impossible; (2) would interfere with British and Canadian control of their tariff powers so far as Preferential trade was concerned; and (3) enter a foreign wedge into the Empire which would permanently injure its unity. From the correspondence afterwards published it appears that Mr. Bryce on May 12, 1910, received a letter from Mr. Secretary Knox saying that it was " the wish of the President (of the United States) to initiate and carry on tariff negotiations . . . on broad and liberal lines " and asking to be informed through which channel the subject was to be broached to " the Canadian authorities "; that on the following day this request was cabled to the British Foreign Secretary and by him advised to the Canadian Governor-General; that on May 16th the latter telegraphed Mr. Bryce that the negotiations could not be commenced until Autumn; that on May 17 the British and United States Governments were advised accordingly.

During the Summer Messrs. Fielding and Paterson were in England and, it was claimed, must have discussed the subject with the Liberal Government of the day. Nothing further of corre-

spondence was published until a telegram from Mr. Bryce to Sir Edward Grey informed the latter on Jan. 10, 1911, that the two Canadian Ministers were in Washington "to discuss with the United States Government trade and tariff relations between Canada and the United States." On the same date the Ambassador wrote to London that "I have been in constant communication with the Canadian Ministers and gather from them that the difficulties incident to any general reciprocity still appear serious." On the 19th Mr. Bryce stated to Sir E. Grey that an agreement had been come to which, he thought, would not be injurious to British trade and on the 27th in forwarding a copy of the President's Message to Congress he added this statement: "As regards the advantage secured by the arrangement to Canadian over British manufactures in the United States markets, a point to which I repeatedly called the attention of the Canadian representatives, they declared it to have no practical importance."

In the British Commons on Feb. 21st Mr. Premier Asquith stated in reply to a question that: "During the negotiations at Washington between the Canadian and United States representatives the discussion ranged over many details of a complicated nature, and it was not possible for His Majesty's Ambassador at Washington to follow the various stages closely. . . . His Excellency was, however, furnished with accounts by the Canadian delegates from time to time. He did keep his eye on the special interests of British trade." In the House of Lords on Mch. 16th Lord Morley read a reply in this same connection and stated that every despatch and telegram from the Ambassador at Washington relating to what passed had been presented to Parliament in full, or after *necessary revision*. As the negotiations with the United States Ministers were within the competence of the Canadian Ministers, it would have been most undesirable to issue separate instructions to Mr. Bryce. Between May, 1910, and January 1st, the Colonial Office also received various despatches from the Governor-General at Ottawa, but they were not considered suitable for publication.

The subject had also been debated in the British Parliament on Feb. 6th when Mr. A. J. Balfour, the Conservative Leader, drew attention (amid Liberal cheers) to "recent events in Canada." After deprecating the idea that he was reflecting upon statesmen or parties in the Dominion or seeking to interfere in its politics he referred to the Agreement as a departure which "must have a most far-reaching and, if it be carried out, a most disastrous consequence upon the future of the Empire." It would break the continuity of Canadian policy and make Canadians "commercially and economically dependent on their great Southern neighbour." If Reciprocity reached fruition he would regard it as "a great Imperial disaster" caused largely by Britain's refusal to meet the Canadian preference policy half-way. Mr.

H. H. Asquith, Prime Minister, replied by declaring his Government not responsible and by describing the Agreement as made upon and under Canada's own responsibility. After deprecating the idea of taxing food in order to promote an Empire preference Mr. Asquith declared that in time a reduction or abolition of United States duties on its food supply was inevitable. The view of the Tariff Reformers and British Conservatives was hostile and aggressive. Mr. J. Chamberlain, in a letter dated Feb. 8th, after stating that his Tariff Commission had worked out a complete scheme of Imperial Preference and expressing the wish that Canada had at least waited until after the Imperial Conference of the coming May, declared that whatever the outcome in the Reciprocity Agreement matter their cause must not be abandoned. "There must be no whittling away of a policy which we believe essential to Imperial Union and those of us who have devoted ourselves to the furtherance of this great ideal in this country are bound to see to it that nothing which has happened shall weaken our aspiration and render our work vain. The fight must be carried on with unabated vigour and confidence." The Unionist press, however, was not so hopeful and on Mch. 6th Mr. Chamberlain's Tariff Commission of British experts published a document dealing with the Agreement as it affected Great Britain and the Empire and summarizing its chief points as follows:

1. The entire removal of the preference on certain British goods of which Canada imported £668,000 worth in 1909-1910.
2. Reduction in the margin of British preference on other British goods of which Canada imported £439,000 worth in 1909-10.
3. The extension to favoured-nation countries of the reduced Canadian rates on United States products.
4. The preference which Canadian products will enjoy over the United Kingdom in the United States market. American imports of this class from the United Kingdom amounted in 1908-9 to £2,990,000.

Some important figures were adduced. In the 5-year period, 1885-9, the United Kingdom imported an average of 38·6 million cwts. of wheat from the United States and 3·3 million cwts. from Canada; in the 5 years 1905-9 the figures were, respectively, 30·2 million cwts. and 14·5 million cwts.; in 1910 they were 18·1 million cwts. from the United States and 20·3 from Canada. Therefore, it was argued, the United States could no longer be depended upon for British food while Canada, which it had been hoped would prove the granary of the Empire, was about to tie up its food production to the United States and deprive Britain of one of the great safe-guards of her people in time of peace or war—the growing food supplies of the Empire. The increasing call of the United States population for its own wheat was shown in the fact that 71,000,000 people in 1895-9 consumed a yearly average of 529,000,000 bushels of wheat and exported 179,000,-

000 bushels while, in 1905-9, 85,000,000 people consumed an average of 692,000,000 bushels and exported 121,000,000. Canada's export had, meantime, increased from an average of 3,800,000 bushels in 1885-9 to one of 50,100,000 bushels in 1905-9. It was stated that, from an Imperial point of view, the Agreement would nullify the expected Preference arrangements between Canada and the West Indies, encourage Newfoundland to negotiate an arrangement which might exclude Canada, and give certain Canadian products a preference in United States markets over those of Australia.

An important point was developed by Mr. W. A. S. Hewins —Tariff Reform expert—in the *Morning Post* of January 30th: "We have reached the stage in which there will be something like an international struggle for food supplies. It is absolutely certain that the prices of food and the cost of living must rise in England unless by our State policy we can draw to the British market supplies from the great new centres of food production. There are signs that not only the United States but the far East is feeling the desirability of drawing wheat from Canada. It is almost appalling to consider what are likely to be the consequences in England of leaving the provision of adequate food supplies for our people to Free-trade, which was not advocated by its original advocates as a guarantee of low prices, and has been proved by experience to be no such guarantee. A permanent rise of the cost of living here must not only inflict great hardships on the poorer classes, but would strike a deadly blow at our manufacturing and commercial interests." The United States was, obviously, the coming rival of England in this matter and Canada had now proposed to range herself beside the rival and not with the heart of its own Empire.

Meantime the *Canadian Gazette,* an influential journal in London, had been reviewing from week to week the issues raised by the Agreement so far as Imperial relations were concerned. It declared (Feb. 1) that Reciprocity meant "unexampled prosperity for the Canadian farmer"; that it was difficult to be assured that part of North America could be made an open market for farm products and kept a closed market for the output of the factory; that it was an open question whether Canada could maintain a margin of preference for the British manufacturer while yielding to the enormous economic pressure of the United States; that it was doubtful if the British investor would continue to single out Canada for his hundreds of millions if the latter became a commercial partner of the United States. On Feb. 23 a series of vital questions were answered in terms which may be briefly summarized: (1) The best authorities in the British milling, farming and lumber trades believe that the Agreement would increase prices to the British consumer through diverting Canadian supplies to the United States; (2) British fiscal policy, if

adjusted to modern conditions and to the call of Canada, Australia, and South Africa, might have averted this result; (3) the British competing power in Canada will be diminished by the definite abolition or reduction of duties on certain United States manufactures; (4) the British Preferential trade proposals would be weakened but not destroyed; (5) Commercial Union with the United States is unlikely to result because of the strong East and West tendency of Canadian trade, transportation and policy; (6) British investments in Canada are not likely to be seriously affected and the ultimate outcome will be a new intimacy in policy and ideals between the English-speaking peoples. Further consideration involved certain convictions and these were analyzed on March 30 with the conclusions which may be given here:

1. The British preference in Canada is to be removed or materially lessened upon £1,100,000 worth of British trade.
2. The Agreement sets up a discrimination against the United Kingdom in the United States while Canada's place in the Imperial system is made almost untenable.
3. Mr. Taft has admitted that his policy is one of Free-trade in everything as between Canada and the United States, and this Agreement gives to the United States a tariff leverage to secure this end, that is to say to abolish entirely the British Preference in Canada and drive Canada completely outside the orbit of Imperial treaties.
4. Newfoundland interests are much affected by the Agreement. Yet these interests are made the subject of no official representations. So with Australia.
5. Mr. Taft announces in his Message to Congress that, in addition to tariff arrangements, an adjustment of railway rates is also being made between the two countries. The Prussian example suggests the close relationship between railway and commercial policy as leading up to complete unity between kindred peoples. Mr. Bryce and British Ministers know nothing, or at least say nothing, of these railway developments.

On Feb. 4th the Agreement was published in full in the British press and aroused much interest by its sweeping character. The *Morning Post* urged Conservatives to drop all other issues and "fight to the death for Imperial and National Union"; the *Daily Telegraph* declared that Mr. Balfour was the only man who could appreciate "the length and the breadth of this crisis"; most politicians, whether they liked it or not, were inclined to believe that the arrangement would become law in due course; Liberals seemed satisfied at the prospect and Mr. Birrell, Chief Secretary for Ireland, said at Bristol that he was rejoiced to see Free-trade principles winning all over the world and that it was Britain's business to wish Canada well in her enterprise. At Birmingham, on Feb. 3rd, Mr. Austen Chamberlain said: "I believe the Agreement will have the greatest effect in Commercial history since the foundation of the German Zollverein. If it is ratified I fear there will be a great diversion of trade that has hitherto been carried on from east to west and to north and south. Food products which have found their way to us will find a competitive and nearer

market in the United States. Food prices which have been kept low for us by the bountiful Canadian harvests may be increased by the American demand for Canadian corn. There is also danger that the Agreement may mean a stimulus to American trade in Canada to the detriment alike of Canadian and British manufacturers." In Parliament on the 8th Mr. Chamberlain, in presenting a Preferential Trade Resolution which was defeated by 324 to 222, enlarged upon this line of thought:

> The Agreement gives to the Canadians in the American market better terms than are accorded to our own manufacturers. It brings them into close ties of business with the United States, far closer than our own; it takes the Dominion of Canada out of the Empire orbit and places her in the vortex of continental politics and continental interests of America. It must mean a great diversion of trade. Wheat, for which we have been the preferred market hitherto, will now be drawn southward across the American frontier. It will hasten the process in the United States of throwing land out of wheat cultivation into other forms of cultivation. It is going to give an enormous stimulus to stock-raising in America, and to throw the meat trade more and more into the hands of the great American combinations and place our own producers of meat still further at the mercy of foreign trusts. It is going to give an enormous stimulus to the manufacturing and producing power of America. The cumulative effect of these different changes must be most serious for the trade of this country, and I do not see how it is possible for us to dissociate ourselves from an interest in the Agreement now being discussed in Canada.

Mr. Sydney Buxton, President of the Board of Trade, was quite explicit in his reply upon one point raised by the Opposition: "Holding the views which they did the Government could not regret any arrangement or agreement which might weaken the opportunities of putting a tax upon corn coming to this country, nor could they regret any fiscal arrangements which tended to the reduction of high duties in any part of the world and to break down tariff walls. Neither could they regret any arrangement under which the trade of Canada itself would, as Canadians thought, be largely increased. They certainly felt very strongly that at the present moment the allegiance and loyalty of the Canadians were not involved in this Agreement." Sir Wilfrid Laurier was quoted by both sides in the debate—by Mr. Asquith as well as Mr. Balfour. Messrs. Hamar Greenwood and Donald Macmaster also spoke and the latter declared that the Canadian people would reject Reciprocity at the next Elections.

In the Lords, two days before this, Lord Lansdowne had characterized the Agreement as "the most momentous departure in the history of Canada and the British Empire." It meant, he thought, a diminution of the advantages enjoyed by British trade under the Preference now given by Canada, and also the deflection of wheat supplies to the United States. The whole history of the Empire would be altered, he declared, if the great Dominions were encouraged to develop "not on national and Imperial lines but in accordance with geographical conditions." To these

and other expressions of opinion Mr. Fielding, Canadian Minister of Finance, thought it well to reply and he sent a long cable to Lord Strathcona which appeared in the press on Feb. 8th. After a reference to the historical situation and the alleged desire of all Canadian parties for Reciprocity in natural products he declared that the Laurier Government's duty was to meet fairly the changed attitude of the United States, to realize the desires of half-a-century in Canada and, by promoting friendly relations with the Republic, to do the best possible service to the Empire:

> Canada is seeking markets everywhere for her surplus products, subsidizing steamship lines and sending out commercial agents. Would it not be ridiculous for her, in the pursuit of such a policy, to refuse to avail herself of the markets of the great nation lying alongside? The expressed fear that it will seriously affect imports from Great Britain is groundless. The greater part of the Agreement deals with natural products, which Great Britain does not send us. The range of manufactures affected is comparatively small, and in most cases the reductions are small. It appears to be assumed in some quarters that the tariff rates agreed upon discriminate in favour of the United States and against Great Britain. There is no foundation for this. In every case Great Britain will still have the same rate, or a lower one. Canada's right to deal with the British Preference as she pleases remains untouched by the Agreement. The adoption of the Agreement will probably lead to some further revision of the Canadian tariff in which the Canadian Parliament will be entirely free to fix the British preferential tariff at any rates that may be deemed proper.

In support of the Liberal view L. G. Chiozza-Money, ex-M.P., an English Free-trade economist, reviewed the Agreement* as follows: "At present Canada sends about one-third of her exports to her Southern neighbour. It is the finest market in the world to which the Agreement gives her greater access. Surely, it ought to be plain even to a 'Tariff Reformer' that (1) the United States obtains greater access to a market of only 7,000,000 and (2) Canada obtains greater access to a market of 90,000,000 people. . . . Our tariff relations with the North American continent thus become peculiar and complicated. Canada will be giving (1) a special preference to the Mother-country, (2) a special preference of another character to the United States, and (3) part of her intermediate tariff, which is a degree of preference, to France. The United States will be giving a preference to Canada." A further Liberal view was expressed by the London *Statist*, of Mch. 18 as follows: "In brief, the arrangement is one that encourages the increased production of food-stuffs in Canada and does not discourage production, either in the United States or in other countries; hence it is in line with the policy of Great Britain to stimulate and encourage the output of food-stuffs and raw materials wherever they can be advantageously and economically produced."

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* Note.—Quoted in Halifax *Chronicle*, March 13, 1911.

One result of the Agreement and the Favoured-Nation Treaties was indicated in a decision of the United States Customs Court of Appeal on Apl. 10 which declared that "if this country should concede to Great Britain, without consideration what it has conceded to France for consideration, it would not be conceding to England the favour it had conceded to the other country, but would be conceding to England more than it had conceded to the other country because England, in such a case, gives no consideration for the concession for which France gave a consideration." As to this the London *Standard* of Apl. 11th declared that $15,000,000 of British goods entering the United States would be discriminated against in favour of Canada. Coal, wool and mutton from Australia and New Zealand, fruit from the West Indies, and a lot of manufactures from the United Kingdom, would be subject to higher duties in the United States than if imported from Canada.

President Taft's "Parting of the Ways" speech naturally stirred up the British Conservative press and statesmen to most vigorous utterance. The London *Observer,* of May 1st, declared that "no blazing indiscretion of which Mr. Roosevelt or Kaiser William have ever been accused could rival the discourtesy and un-wisdom of President Taft's attack on the Tariff Reform party, which, after all, represents a good half of the English people." The *Standard,* May 2, took the speech very seriously: "President Taft has thrown down a challenge to all who value the unity of the British realms. Why should Sir Wilfrid Laurier not take up the glove and fling it back by refusing to go further with the Agreement now shown by its author to be directed against British unity and Imperial solidarity." The Edinburgh *Scotsman* said that the President's chief error was in treating the subject from an exclusively American standpoint. Lord Milner, on May 4, argued that political annexation was, undoubtedly, contemplated by a large section of the United States people with the present Agreement as only a beginning. The Canadian Oppositionists were entitled to the sympathy of all British Imperialists throughout the world. "I believe," he added, "that the harmony of Britain and the United States is more likely to be maintained by an understanding, as two great equal powers, than by the success of a policy which will disintegrate the Empire for the United States to pick up some fragments."

The subject as a whole was debated in the Lords on May 18. The Earl of Selborne (Cons.) stated that there were 130 most-favoured-nation treaties and to 44 of these the Dominions and Colonies were parties in various groups. Canada was concerned in 12. What would be the extension of the precedent now set by Canada? "If our Dominions become accustomed to get better treatment than we can give them, from Foreign countries, will it not be a natural consequence for them to give better treatment to

Foreign countries than they give to us, or to other parts of the Empire?" Lord Lucas, in replying for the Government, deprecated all danger and argued as follows: "The true policy is to allow the component parts of the Empire to seek their own prosperity in the way they think best. The small loss of British trade which the Agreement may bring about will be more than counterbalanced by the rapid development of Canada and the consequent greater demand for British goods." Lord Haldane also spoke and Lord Ampthill and Lord Midleton denounced the Asquith Government for its policy of indifference. Upon the matter of Canada's existing preference, and the Agreement, the Chamberlain Tariff Commission issued a statement on June 2nd which said:

Canada, acting within her autonomous rights and with the approval of the British Government, has concluded treaties or agreements with France, Germany, Italy, Holland, Belgium and the United States. These arrangements immediately reduce the margin of British Preference in Canada and greatly enhance the area of competition which British Free-traders have to meet in the Canadian markets. The proposed Reciprocity Agreement between Canada and the United States goes much further than the other Agreements. By establishing complete Reciprocity in regard to a large variety of natural and manufactured products, it would reduce or destroy the British Preference upon them in Canada, and thereby divert Canadian trade from British to United States channels.

To leading British newspapers—notably the *Post* and *Standard*—the Hon. W. S. Fielding contributed a letter on June 5 in which he denounced the comments of British public men upon the Agreement as being "interference" in Canada's affairs and replied, especially, to Lord Selborne's strictures. So far as differential duties in a Foreign country being more favourable to one part of the Empire than to another were concerned he declared this to be no new precedent and cited the Reciprocity Treaty of 1854-66, British tariff advantages in the German Empire during a long period, and at the present time in France and Italy. The London *Times,* in reply, pointed out that where two party policies, one in Britain and one in Canada, were antagonistic there must be free speech and free consideration. Lord Selborne replied (on June 10) analyzing the various British arrangements referred to. The Elgin Treaty was negotiated by the Imperial Government as trustees for the Empire and not by Canada for itself alone; with Germany there was no treaty at all—only a yearly renewal of concessions by the Bundesrath; with France there was only an extension of the Favoured-nation clause but with a refusal during negotiations to bind the British Government as to future inter-Empire arrangements; with Italy the treaty was made subject to Colonial accession to its terms and, presumably, Canada had refused to come in.

Following these incidents came the Imperial Conference and Sir Wilfrid Laurier's accepted Resolution requesting the Imperial

Government to open up negotiations with a view to Canadian exclusion from the 12 most-favoured-nation treaties. As to this request action was taken in due course by the British Government but not with much hope of success. Sir Edward Grey pointed out in the Commons on Mar. 23rd that Canada could not withdraw from such Treaties without the denunciation of the whole Treaty in each case by the Imperial Government. This would throw into confusion all the Foreign trade arrangements of the United Kingdom. The experience with Germany when, in 1897, the Zollverein Treaty was denounced at Canada's request, showed the difficulty of re-negotiations, for British Ministers had then been unable to secure any new treaty and relations with Germany were still left on a yearly basis. Eventually (1912) only one country consented to the British proposals. In his speech at the Cosmopolitan Club, London, on June 17th, the Canadian Premier denied and deprecated Annexation conclusions: "In all these matters we are guided by three purposes in Canada —and let me put them before you. The first is that our efforts will be to trade with the Mother-Country in preference to any other country. Then we want to trade with all countries in the world—that is our second purpose. And our third principle is that with the privileges and advantages we shall give to the Mother-Country we must no more think of discriminating against England than we should think of cutting off our right arm."

The British view of the wheat and food side of the issue was somewhat varied. There was the fact that Great Britain imported about 200,000,000 bushels of wheat annually, that in the year ending July 31, 1911, Canada, Australia and India exported 176,000,000 bushels and that the time was drawing near when British food supplies could all come from within the Empire. From this came the Liberal argument in Canada that new markets for the immense production of the West must soon be sought and the Conservative reply that United States production was growing less in proportion to the demand and that the market would soon be open to us anyway. There was, also, the British Conservative answer that under a preference in that market a large portion of the wheat supplies now drawn from Foreign countries would naturally be taken by Great Britain from Canada. As to this latter point Canadian Liberals contended that if, under such a Preference, all the Foreign supply was switched to the Dominions and Canada sent its present proportion of one-third it would only enlarge the market for wheat and flour by about 139,000,000 bushels a year.

The question of British investment in Canada was another element of discussion. The Liberals contended that greater Canadian prosperity meant larger opportunities and safer fields for the British capitalist; the other side thought Reciprocity meant indecision in National aim and policy on the part of

Canada, instability in tariffs and trade, uncertainty as to the form and direction of the country's future development. The former view was presented by the London *Statist* of Mch. 18th: "Great Britain will share in the advantage which Canada will derive from the stimulus to her agricultural, mineral and forestral productions in a secondary degree and in another manner. The amount of capital which Great Britain has invested and is investing in Canada is very large, and it is essential that Canada should obtain as large a farming population, and produce as much natural wealth, as possible, in order to be able to meet without strain the interest payments on that capital." It was clearly specified also by A. M. Grenfell, a well-known British financier and investor, in a cable on Feb. 19th: "I believe Reciprocity will prove of inestimable advantage to Canada. Great material benefits will be derived by the whole Dominion, in both agricultural and manufacturing industries, from the opening of American markets. The future prosperity of Canada must be largely based on the soundness of agricultural industry; and the enhanced value of Western farm lands that will result from Reciprocity will mean a greater security to English investors. The freer and larger markets which Reciprocity will open to the farmers of the West will cause greater demands for the products of the factories of the East."

The opposite view was expressed by Mr. C. B. Fenwick in the *World's Work* of London for March. He pointed out that the great Railways of Canada owed their construction to British capital, based, in its application, upon the ideal of Canada as a British country with trade running east and west: "The British public has something more than a sentimental interest in the future trend of Canadian progress. Canada's development is only in its infancy. Vast sums of money must still be poured out before the country can reach its full stature; and the question of the future will be who is to provide them, Britain or America? . . . The movement towards Reciprocity is not favourable to the British capitalist. Investment in local industries, be they heat, light or power companies, street railroads, or fish canneries, will always be good business. But to embark upon a venture which may be destroyed at any moment by unrestricted American competition will not, in the future, be sound policy." Before the Royal Colonial Institute on Mch. 14th Mr. B. H. Morgan enlarged upon this line of thought:

> A depreciation is bound to take place in those securities in Canada where some 450 million pounds of British capital are to-day invested. That money was invested in Canadian railways, Government and Municipal loans with these general ideas in the mind of the British public, viz., that we were building a granary for Great Britain in Western Canada, that the rewards of production and transport between the prairie and the coast, would fructify the railways in which the British millions are invested, and the trade coming in that way from east to west would

continue to develop the towns and cities where British money is doing municipal work. The Reciprocity Agreement completely shatters these conceptions.

Meantime Sir Charles Tupper, the veteran Conservative statesman—residing at this time in England—was having a long-range controversy in the British press with the Canadian Minister of Finance. Writing on Apl. 20th he dealt with certain references to himself in Mr. Fielding's Montreal speech of Mch. 27th. He commenced by accusing the Minister of having once opposed the Confederation of Nova Scotia with Canada, of having supported annexation, of having tried to disrupt the country, of having supported in 1891 Commercial Union with the United States. As to the present situation he was explicit: "I am opposed to your Agreement with the United States because Mr. Bayard in 1888 assured Mr. Chamberlain and me that the policy of the Democratic party was to remove, as soon as they were able, the duties on all the articles in your Agreement and President Taft now sees that he can only secure his re-election by the same policy. We owe nothing to the Republican Party and would gain everything without any entangling alliance which will, I fear, end in the destruction of British institutions in Canada." Replying, on May 25th, Mr. Fielding defended his previous quotations from Sir C. Tupper's speeches and references to his negotiations of 1887-8: "By the Agreement which we now have made, if it be adopted by the American Senate, we secure not only the advantages proposed in your unsuccessful Treaty of 1888, but also the free admission into the American market of many of the natural products of Canada, concerning which you laboured unsuccessfully at that time. In these respects Canada obtains substantially all that you vainly sought in 1888, and she still retains exclusively the rights to the Fisheries." He charged the Conservative Party of Canada with opposing the existing Preferential tariff and with not opposing the German, French, Italian and other arrangements which Sir Charles and British statesmen were now criticising. A return letter of characteristic vigour was penned on June 12th. Some of the comments and incidents in connection with the British side of the question may be summarized here:

Feb. 1.—Sir Gilbert Parker, M.P., in the London *Standard* expresses a British Conservative opinion of the Agreement: "Momentarily it will mean a little better prices for wheat for the Western farmers, a little spurt to Western progress, but it will also mean that the grip on their own independence has been lost by the Canadian people. Canada fighting against American tyranny, as she has done for the last two generations, was a power. That very fight was the source of her progress and her wealth. Energy, resourcefulness, determination, made her pioneer work a march of prosperity. Nothing cramped her. She accepted nothing from the United States; she got nothing."

Feb. 10.—The *Saturday Review* of London describes this "American challenge to the British Empire" as being in line "with the purpose which began in the Declaration of Independence, and by the invitation then addressed to the Canadian people to share in the fortunes of the new-born Republic and which has animated American policy all through succeeding years."

Feb. 13.—Mr. Hamar Greenwood, M.P., expresses the following British Liberal view: "A reasonable arrangement, including untaxed foodstuffs, between Canada and the United States, comes as no surprise to those who have seen the growing determination of the democracies of both countries to decrease the cost of living by wiping out food taxes, and, secondly, to decrease the restrictions on trade by lowering and ultimately wiping out many taxes on manufactured articles. . . Of course, if this reciprocal arrangement is adopted the bottom is knocked out of the Tariff Reform movement in England so far as the preference to Canadian foodstuffs is concerned. It would be impossible to differentiate between Canadian and American wheat if there is no tax on corn levied by either country."

Feb. 19.—In an interview at Melbourne, the Australian Premier (Mr. Andrew Fisher) declares that he does not consider the question of Preferential Trade "shelved" by Canada's action. "Reciprocity between Canada and America would possibly affect the other Dominions in some degree, but would not necessarily close the whole subject. If any scheme of preference between the Dominions is to be extended beyond the limits of the Empire, the first step would be to do what Canada has already done—namely, to enter into reciprocal arrangements with people akin to ourselves, mainly aiming at the same standards of comfort and living."

Feb. 22.—The Toronto *Mail & Empire* quotes from the New York *Tribune* a statement by the latter's well-known London correspondent, I. N. Ford: "Imperial Preference was the corner-stone of the Federated Empire which appealed to the imagination of the Tariff Reform Leader. It has been rejected by Canada, the progressive nation, which was expected to lay the first stone of the stately fabric, and to command the loyal support of the other self-governing Colonies. That splendid dream has been shattered by a single bold stroke at Washington."

Feb. 27.—Mr. Charles A. Moreing, an expert authority on British Mining investments, says to the Montreal *Star*: "There is much sentiment in business and it is sentiment to some extent which causes Canadian securities to sell so much higher in London than the securities of foreign countries. As I told *The Star* when I was here before we like to follow the Flag and invest our money within the Empire."

Mar. 8.—Rt. Hon. A. Bonar Law, M.P. (Cons.), speaking at Motherwell, says: "President Taft is far too wise a man to talk of annexation, but he was recommending this Treaty to the Americans on the ground that its social advantages would far outweigh any question of profit or loss. What do the social advantages mean? They meant, of course, that Americans expect to get Canada within the orbit of the United States and withdraw it from the influence of the British Empire. I do not believe they will succeed."

Mar. 8.—The London *Standard* does not doubt Canadian aversion to Annexation. "But indirect influences must slowly and surely tell. If Canadians do nearly all their business with the South and hardly any with the East, if they are brought into daily and hourly contact with Americans in all the commercial and financial relations of life, while they lose touch, more and more each year, with their fellow-subjects of the Home-land, they must,

insensibly, perhaps involuntarily, become more American than British in thought and feeling, in habits and ideas. The drift towards the States and away from the Empire will grow stronger, until at length it will prove irresistible, and the smaller nation will be swept into the magnetic field of the larger."

Mar. 21.—E. W. M. Grigg of the London *Times* tells the Winnipeg *Free Press* that "the Unionist Leaders fear the possible outcome of a policy which makes the Canadian people more dependent upon the movements of the American tariff, for the simple reason that a reduction of tariffs between Canada and the United States, not accompanied by a similar reduction of tariff between Great Britain and the United States, will make any approach toward freer trade within the Empire impossible."

Apl. 1.—Mr. Richard Grigg, His Majesty's able Commissioner of Trade in Canada, makes public his annual Report to the British Government. In it he traces a gradual increase in British trade with Canada as a whole and then clearly indicates the difficulties in the way of future expansion: "If British trade with Canada is to increase until it occupies the position which a true conception of Imperial interests seems to demand, it is necessary that from the Canadian side every opportunity should be afforded which equitable legislation and a sympathetic public opinion can offer. It is, therefore, incorrect to speak as if the problem before us were one which the unaided efforts of the British trader could solve. It must be remembered, especially in Canada where there is a tendency to complain of the conservative methods of the British producer, that at the present time very strenuous efforts are being made in financial and industrial circles in the United States to control and indeed to dominate not only the trade, but the whole commercial life of the Dominion. If these efforts are to be combated it cannot be done merely by arousing the British merchant to greater efforts, but it must depend to some extent on the amount of co-operation afforded him by the importers and consumers of the Dominion."

Apl. 4.—The London *World* says: "For every American who supports Reciprocity for commercial reasons a dozen support it for political reasons. The United States politicians are watching with silent ecstasy the spectacle of Canada's politicians chloroforming her."

Apl. 8.—In a Toronto *News* article Mr. R. S. Neville, K.C., describes the value of the British market as follows: "The British market has become one of the greatest assets of the civilized world. Nations and continents owe their development and progress to it and depend upon it for their continued prosperity. The United States was built largely upon it, and even now would be in sore straits without it. Where would Argentine, Australia, New Zealand, South Africa and Canada be to-day without it? Cut it off and the clock would stop."

Apl. 11.—The Ottawa *Free Press* (Lib.) publishes under flaring headlines a statement that the Anti-Reciprocity League is receiving campaign funds from the British Tariff Reform League; on Apl. 25 Mr. T. W. A. Bagley, the Secretary of the latter organization, denies the sending out of one farthing.

Apl. 13.—Sir Frank Newnes, Bart., the British publisher, after a tour of Canada, says: "So strong has the issue made the Laurier Government that I am convinced that should Sir Wilfrid Laurier go to the country on the question he would be overwhelmingly re-elected."

June 1.—In the *Fortnightly Review* Mr. J. Ellis Barker, an English publicist, lately visiting Canada, points out that the so-called

United States 90-million market actually *exports* wheat, while Europe, taken as a whole, contains 90 millions who *import* most of their wheat and flour—including Great Britain, which, with a population of 45,000,000, only raises enough for 5,000,000. He proceeds as follows: "The political union of independent States is usually based upon the firm foundation of an economic value. The Zollverein made the German Empire possible. . . . The protected home market induced the individual American States to enter the Union and has welded together the United States into an unbreakable whole. For the same reasons for which the Dutch have persistently refused to enter the German Customs Union—a step which would be very profitable to the Dutch merchant—patriotic Canadians who would make money out of Reciprocity are opposed to it."

June 11.—To a great gathering in London, Dr. J. A. Macdonald of the Toronto *Globe* scouts the disloyalty cry and Annexation fears. Greater prosperity means greater loyalty, just as did larger liberty. "The position which Canada holds to-day as a free nation in the British Empire and the trusted neighbour of the United States she will not exchange for anything independence, annexation or high Imperialism can give. A vital link between the world's greatest Empire and the world's greatest Republic, it is Canada's high and strategic part to bring these two masterful world-powers together in a league of peace, for the honour of the English-speaking race, and for the highest welfare of all the world. To do that is the unique privilege and the absolute Imperial duty of Canada to-day."

June 15.—In a London interview Sir William J. Lyne, lately Australian Minister of Customs, says: "I feel convinced that a Reciprocity Agreement such as is proposed between Canada and the United States can only lead to the absorption of the Dominion and separation from the Mother Country, and that it would constitute the first step in the disintegration of the British Empire. . . . I feel sure that the heart of the Australian people is absolutely loyal and beats for Preferential treatment such a Reciprocity Agreement, if consummated, will tend materially to discourage us though the Commonwealth will persevere in its efforts for Imperial progress and consolidation."

II.—THE GENERAL ELECTIONS.

The Government, the Liberal Party and Reciprocity

To most of the Members of the Government, to old-time Liberals throughout the country, to the men in both parties who had been trained in a tradition that Reciprocity in natural products was essentially desirable, and the Treaty period of 1854-66 the golden age of Ontario, the Agreement with the United States was at first an inspiration, a flash of political genius, a certain path to electoral success. To younger men in all parties, to business and industrial and financial interests, there was much uncertainty and doubt and, as already shown, these feelings grew and multiplied. There is no reason to believe that the Government as a whole expected such strong antagonism as developed in Parliament and the country; there is no reason to suppose that they expected defeat in the Elections which were forced by the Opposition. The first period of triumph, however, could not have lasted very long and there must have been an obvious and constant expectation of unwise or irritating speeches in Congress.

There seems little reason to doubt, also, that unless something unexpected developed they did anticipate a Western sweep, a reasonable success in Quebec, where Reciprocity would wipe out recollections of Navy complications, and the holding or winning of a sufficient rural vote in Ontario, and down by the Atlantic, to offset Conservative gains in the cities or from the manufacturers as a class. To Mr. T. C. Robinette, K.C., at a Toronto meeting on March 20, Sir Wilfrid Laurier sent this message: "We have not hurt the manufacturer and we will not do so. We have benefited the farmer and consumer. When the time comes we will sweep the country from the Atlantic to the Pacific." The comment of the Toronto *Globe* on this statement (Mch. 22) referred to the Premier's well-known political sagacity and continued: "It must be remembered that the strength of Liberalism is to be found largely in the rural constituencies, and rural Canada, we are firmly convinced, will stand fast to Laurier and better trade relations with the United States when the time comes."

There was much that was attractive in the policy with which Sir Wilfrid Laurier went to the country. Traditionally, it was a good thing, apparently it opened at a sweep the great and high-priced United States market, with its teeming centres of demand, to the agricultural producer of Canada, theoretically it was said to mean a new era of peace and friendship and reciprocal courtesies between two kindred peoples. It was in line with the Liberal

policy of many decades; it could be made to appear a progressive policy as against one of standing still; it could be claimed with much truth that a refusal of the United States overtures would have been extremely unpopular and, perhaps, without the succeeding discussions it would have been so; it was a policy which fitted in with the needs of British Liberalism and the wishes of those in Canada who did not particularly want closer fiscal relations with Britain; it met the demand and filled the hearts of all the earnest and sincere Free-traders who still had a place—though a quiet and dormant one—in the ranks of the party; it was, nominally, a blow at extreme Protectionist theories and practices; it seemed to meet a widespread agricultural demand for contiguous markets and did not, on the surface, affect seriously any great manufacturing interest of the country; it involved the lightening of taxation to the consumer under the old-time theory that the importer pays the duty—though this was not allowed to work both ways as the agricultural exporter was also told that he would get more for his products when the United States duties were removed.

The Toronto *Globe* on Jan. 27th described the attitude of Parliament on Mr. Fielding's announcement as one of satisfaction upon both sides, the proposed Agreement as likely to be distinctly popular in both Canada and the United States, and the situation as a whole to mean the end of Tariff wars and the beginning of a new era of friendship. Following the presentation of the Agreement to Parliament, Government policy and principles soon found expression before the people and gradually took the form upon which the Elections were fought. To the Manufacturers' Deputation on Jan. 13th Sir Wilfrid Laurier had been non-commital except in a general promise that the industries of the country would not be interfered with; to the Fruit-Growers on Feb. 10, the Premier commented on their opinions as divided and the lateness of their appeal to Parliament; on Mch. 8th he declared that " our policy has been, is, and will be, so long as the Canadian people continue to place in us the confidence they have shown during fifteen years, to seek markets wherever markets can be found." As adjoining countries it was to the mutual interest of Canada and the United States to have a " broad and liberal trade intercourse." The Government believed that " the interests alike of the Dominion and of the Empire would be materially advanced by the establishing of such relations "; that a fair and liberal Reciprocity treaty would develop the great natural resources of Canada, enormously increase trade and commerce between the two peoples, tend to encourage friendly relations and remove many causes which had, in the past, provoked irritation and trouble; and promote kindly relations between the Empire and the Republic which would afford the best guarantee of peace and prosperity. On another point the Premier was explicit:

Sir, we have never taken part on this side of the House, we have refused to take part, in the controversy which has been long going on in England on the question of mutual preferential trade. We would not take any part in the contest between the Tariff Reformers and the Free-traders. Our policy was set forth by the Canadian Ministers at the Conference of 1902, and it was in these words: 'The Canadian Ministers state that if they could be assured that the Imperial Government would accept the principle of Preferential trade generally and particularly grant to the food products of Canada in the United Kingdom exemption from duties now levied or hereafter imposed, they (the Canadian Ministers) would be prepared to go farther in the subject and endeavour to give to the British manufacturer some increased advantage over his foreign competitors in the market of Canada.' This is our policy in this year 1911.

A couple of months later Sir Wilfrid was in England and at a Pilgrims' Society dinner (May 22) expressed himself strongly as to United States relations. "Canada, in sharing the continent with the United States," he said, "has a double interest in the Treaty of Arbitration between the United States and the United Kingdom and," he exclaimed, "I thank God that the relations between the two peoples never were so good as they are to-day . . . We believe the day will come for an alliance of all lands springing from England's loins, insuring the peace of the world for ever." Little was said about Reciprocity in these speeches. At the Dominion Day banquet an address of eloquent loyalty was delivered. After referring to the peaceful and equal union of alien races under the Flag as "the glory of England," Sir Wilfrid said: "The British Empire will be maintained on these lines so long as British institutions remain as they are . . . The British Empire to-day is a crowned democracy and the world will learn that under the Monarchy of England, whether it be in England, Canada, Australia, New Zealand or South Africa, there is more liberty, more justice, and more equality than in any Republic."

On his return to Canada the Premier was given an enthusiastic welcome at Quebec on July 10th. After stating that he had come back to fight the battle for Reciprocity Sir Wilfrid proceeded: "The anti-Reciprocity movement has been inspired solely by the Jingo Imperialists, both in England and in Canada, who with their narrow views would bind us to England alone, and would prevent us from trading with the United States. There could not be a more absurd conception. It is not a question of sentiment. We want to trade with England because it is our best market, but that is no reason why we should not trade with anybody else. We want to trade with all the world and, especially, with our neighbours. The English Jingoes would have the British Empire bound by restriction. We Liberals of Canada, like the Liberals of England, believe in freedom of action and in the greatest possible freedom."* A similar reception was accorded in Montreal

*NOTE.—Verbatim Report in Toronto *Daily Star* (Lib.) on July 11.

on the following day and similar views expressed as to Imperialistic and Nationalistic Jingoes. At Ottawa a speech was made eulogizing the Monarchy, praising the character and achievements of the Duke of Connaught, and expressing renewed loyalty to British connection and institutions. In his Montreal speech (July 11), it may be added, Sir Wilfrid used a phrase which was afterwards much quoted by his followers: "Henry of Navarre at the Battle of Ivry said: 'Follow my white plume and you will find it always in the forefront of honour.' Like Henry IV., I say to you young men, 'Follow my white plume—the white hairs of sixty-nine years—and you will, I believe I can say it without boasting, find it always in the forefront of honour.'"

Passing from the Leader's expression of views and policy it may be said that on Mar. 3rd, speaking at Woodstock, Mr. Mackenzie King, Minister of Labour, declared that "the surest way to keep the people on the land is to make the business of those who live upon the land pleasurable and profitable. The surest way of making profitable the work of those who thus labour is to secure to them the widest possible market for the products which they raise. The policy of the present Administration may be described as a great social policy, which will have as its outcome the improvement of conditions for the farmer and for all those engaged in rural pursuits." At Victoria, B.C., on Mar. 20, Mr. Templeman, Minister of Mines, said: "If the Government goes to the country on its record it will win. And, with the inauguration of the Navy and the introduction of a Reciprocity Agreement with the United States, a matter that this country has been striving for during 40 years, on what ground can the average elector, even though an opponent of the Government, oppose a Liberal candidate!" In the matter of the British Preference Mr. Fielding, Minister of Finance, had already (Jan. 26) intimated that there might be a re-adjustment; on Feb. 8 his Message to Lord Strathcona contained a statement as to some slight possible revision of the Tariff in that connection; on Mar. 2nd Mr. F. B. Carvell, a prominent Liberal, spoke in the Commons of a possible increase in the Preference to 40 per cent.; in the New Brunswick Legislature the Liberal Opposition had suggested an increase in the Preference to 50 per cent.; the Resolutions of the Western Grain Growers as they came to Ottawa all contained a demand for Reciprocity, free agricultural implements and a 50 per cent. Preference.

Mr. Fielding spoke at a great Liberal meeting in Montreal on Mar. 25th. He was replying to Mr. Sifton and was urging his policy in a centre of financial and industrial strength where keen opposition had been expressed; he met with some hostility and considerable good-natured heckling but made an able speech and announced in response to interruptions that there would be an

Election " a good deal sooner " than some people might like. Mr. Fisher, Minister of Agriculture, spoke for and to the farmers. Mr. Ralph Smith spoke for the West. After reviewing in his speech certain conditions, historical, political and international, Mr. Fielding proceeded as follows: " There is no question but that the farmer and the lumberman and the fisherman want this Reciprocity Agreement and I believe they are going to get it. But what about the manufacturers! Of course this Agreement shows to every intelligent manufacturer who reads it that his interests were carefully guarded. We told them (the United States Commissioners) frankly at the beginning that in the matter of natural products we could meet them on even terms but we said when it comes to manufactures we have to be more careful, we frankly admit that you, with your greater capital and your specialized organizations, you are more than the equals of us in your manufacturing power, and we are not prepared to make a treaty with you including any wide range of manufactured goods!" As to the future he asked Manufacturers to trust him and the Government; if they did not do so there would be danger ahead in the bringing of East and West into antagonism:

> The danger is not to be found in Reciprocity itself, but the danger is that the manufacturing interests of this country and the allied moneyed interests which they are connected with, will array themselves in hostility against the growing feeling of the Western farmers. Don't make any mistake about it—the day is in sight of the younger men and some of those who are not so young in this audience, when there will be more people west of the Great Lakes than there are east of the Great Lakes now. The West is going some day to dominate Canada, and we who live in the East, if we are wise, may as well see it and look ahead. . . . Suppose the manufacturers should organize to-day with their money to defeat this Agreement, I want to tell you, my brothers, that there will grow up in that Western country a dangerous feeling. Don't make any mistake about it. I beg the manufacturers of this country not to array themselves against the farmers of the West.

Mr. Sydney Fisher, after a reference to the sudden and influential agitation of the past month against Reciprocity, spoke as " a special advocate of the farmers of Canada." He pointed out the obstacles of the past in the way of obtaining limited Reciprocity. There was first the United States contention that a large measure of manufactured goods must be included; that had been abandoned. Then there was the Canadian claim that the Americans should bring their tariff down to ours; upon every item mentioned in the Agreement this had been done. Finally, Canada had to decide not to seek further favours at Washington; this Agreement had first been invited by the United States. As to the farmer the Minister of Agriculture went on to claim that he was not getting the high prices paid for food in the cities—the middleman was getting them. Upon the products affected by this Agreement and going to or coming from the United States a

tax of millions was now paid in Customs duties. "If you take your food you will see that it costs so much for production, manufacture and distribution. If, in addition, you have to add 3½ millions for duty it is an elementary fact that it is so much added to the cost to the consumer." Whether the United States, or Canadian consumers, or both, were concerned was not stated. At this point Mr. Fisher presented a warning of a stronger nature even than his colleague's:

> They (the farmers) see their rivals to the south of us getting a higher price for grain and for cattle, and these people see an opportunity of reaping some benefits in the markets of the country that the people to the south have. They see opportunities of placing their cattle free of duty in the American market. They see opportunities of selling their grain at the same price as it is sold for in the United States. If this Agreement should be blocked by the people of the East, if the Canadian people should be divided and these men should be deprived of opportunities to sell where they can best sell, there may arise a demand on the part of the settlers in the West, that if they cannot get to the American market by means of Reciprocity they can get there by Annexation.

In Toronto on Apl. 6th Mr. N. W. Rowell, K.C., the future Provincial Liberal Leader, gave three reasons why friendly relations between Canada and the United States should be fostered: (1) Because it was beneficial for neighbouring nations to be neighbourly; (2) because the United States was the country with which Canada did the most trade; and (3) because it was the part of diplomacy for the Anglo-Saxon peoples to be on friendly terms. Speaking in Galt on Apl. 7th the Minister of Agriculture (Mr. Fisher) said: "Reciprocity will open up a market of 20,000,000 consumers within easy reach of the farmers in the Niagara Peninsula. Last year our exports of the goods included in the Agreement were much larger to the United States than to Great Britain, notwithstanding the duties of the former country, which was conclusive proof that a better market could be found on the other side of the line than across the Atlantic."

In the Commons on Apl. 12 the Minister of Finance (Mr. Fielding) was explicit as to alleged coming changes in the Tariff and the Preference. "The Western farmers have asked for free agricultural implements. We have told them frankly that we cannot concede that, and we are going to persuade them that it is not in the best interests of the country at present. They have asked for an increase in the Preference to 50 per cent., and we are going to tell them frankly that we cannot make that change; that the manufactures of Canada cannot be carried on if that change is made. We are going to say that by bringing in this Agreement we are meeting their demands to a large extent, and we are going to ask them not to press that matter, because it would have a disturbing influence on conditions, while Reciprocity will not have a disturbing influence but will work for the general advantage of Canada." At Winnipeg on Apl. 12th Mr. Oliver,

Minister of the Interior, said: "In my judgment, the foundation principle of Liberal policy is that food taxes should be at the lowest possible point, and should be eliminated wherever reasonably possible. And so, I say, an arrangement which proposes to take off the tax on food passing between Canada and the United States—I do not care which way it passes—is, in the ultimate end, to the best interests of either or both countries. Whether it makes food dearer or cheaper in the one case or in the other, it is sound economics, sound policy, and for the good of both countries." At Calgary on the 14th the same Minister said: "The best way to guard against splitting apart in the Dominion is to adopt a trade policy giving equal rights and fair play to every section in the country. The issue is clearly before the people. Will the Laurier policy of low taxation and trade extension be adopted, or will it be reversed?"

On Apl. 18, Mr. Oliver faced a stormy meeting in his own constituency of Edmonton and denounced the opposition of Eastern financial interests. "If an expansion is to be expected, as every manufacturer undoubtedly hopes for, it will be by reason of an increase in the country's population. The greatest factor in this development will be the lowering of the tariff walls and the widening of the markets." At another stormy meeting—this time in Montreal—Hon. S. A. Fisher declared that the British Government supported the Agreement as in the best interests of the Empire; he believed in it as helping to keep Canada "the natural link binding the British Empire and the United States in peace and friendship"; he declared, also, that there should be a Redistribution of seats before an Election. As to this he observed, at Farnham on May 27th, that "if the Conservatives force us to the country by refusing supplies that action will be condemned by the people and will lead to a change in the rules of the House by which the ruling majority can actually rule. The people do not want an Election and if they force it on the people will condemn them." Towards the end of May an initial campaign was proceeding in the constituencies, hundreds of meetings were being held and, though the Liberal Chief was in England and Mr. Borden in the West, it was pretty well understood that an Election was pending and would follow the re-assembling of Parliament on July 18. The Opposition members had left Ottawa with the declared intention of forcing the Government to go to the country on Reciprocity through the leverage of obstructing supplies necessary to carry on the Administration. Before adjournment on May 19 they consented to grant an interim Supply Bill, just sufficient for the Government's needs until September. The Government and the Liberals in Parliament did not, however, propose to be held up by the Opposition more than could be helped and, while the latter did not desire to appear as forcing the Election before the Redistribution, which the West so much

desired, could be put through Parliament, it was obviously Government policy to place the Opposition in this very position. By May 21st, therefore, the preparations were well under way for an Election and the Ottawa correspondent of *The Globe* stated that 300 Liberal meetings had already been arranged in Quebec while Cabinet Ministers had been placed in charge of their respective Provinces and would be absent from Ottawa until Parliament met.

A three weeks tour of Ontario was arranged for Mr. A. G. MacKay, K.C., M.L.A., Opposition Leader in the Ontario Legislature; Messrs. Hugh Guthrie, M.P., Michael Clark, M.P., and D. B. Neely, M.P., were billed for St. John, Woodstock, Sussex and Fredericton in New Brunswick; Hon. Frank Oliver, Minister of the Interior, and T. C. Norris, Opposition Leader in Manitoba, arranged in June a tour of six centres in that Province while other meetings there were addressed by F. T. Congdon, M.P., Isaac Campbell, K.C., and A. C. Fraser of Brandon; D. B. Neely, M.P., and J. A. Campbell, ex-M.L.A., were billed for eight places in Saskatchewan during the same month; Mr. Fisher, Minister of Agriculture, took charge of the Eastern Townships of Quebec and spoke in several Ontario centres while other Ministers and Members spoke at various points. Mr. Lemieux, Postmaster-General, attended to French-speaking Quebec.

At a Winnipeg meeting, on June 12, addressed by Messrs. Oliver, Norris and Clark, the last-mentionel talked straight free-trade doctrine. He pointed out that he would like to go further than the Government had done, as he was a free-trader, but he was "content to take a step at a time." He referred to arguments used by Hon. George E. Foster, who had claimed that trade inside a country is more profitable than external trade, and that it was better for British Columbia to buy wheat and cattle from the Western Provinces in exchange for lumber, than for the Provinces to deal outside. He declared that this meant limiting the market and limiting production and that he believed not in the cry of Canada for Canadians, but in "Canada, the Granary of the World." The Minister of the Interior claimed, explicitly, that Reciprocity meant an increase in the price of wheat. "If, by the removal of the United States duty the price of the Western farmer's wheat can be increased one cent a bushel on a product of 100,000,000 bushels the difference will be $1,000,000, and Winnipeg must share in that extra million dollars. And every cent a bushel that you increase the price you add $1,000,000 to the value of the product on which Winnipeg lives indirectly and directly." Mr. T. C. Norris proved the closeness of the existing relations with the United States which it was proposed to increase. "The fact is that there are 41 railways crossing from Canada into the United States, 121 trains passing every day between the two countries, and 52 trains which cross the border, either from Canada or the United States, and re-enter their own territory."

Mr. Oliver, at Brandon on June 10th, compared Canadian Mergers with United States Trusts and denounced the former as in many cases "illegitimate and piratical interests." As all roads once led to Rome so now all anti-Reciprocity arguments led to the homes of the Mergers in Montreal and Toronto. He gave the following basis for the Government's policy: "Every industry of every kind and description in Canada lives, moves and has its being absolutely and entirely upon the work of the initial producer in developing the raw material of the country. Any initial producer who opposes the Reciprocity agreement is opposing something which is in his own interests . . . The expansion of the farming industry depends on the profit the farmer can make and, in turn, the profit he can make depends upon the market he can get. Upon that principle the Dominion Government has taken its life in its hands. It has introduced the Reciprocity Agreement into Parliament and is prepared to press the question to a conclusion before the country."

An interesting point in the Liberal addresses of this period was the frequent reference to the pending Arbitration Treaty between the United States and Great Britain as akin in sentiment and policy to the Reciprocity Agreement. At Victoria, B.C., on July 3rd Dr. M. Clark, M.P., enlarged on this theme: "I support the Reciprocity proposals because they will make for that international good-will and mutual respect of the nations which are destined, under Providence, to supplant the superstition, misunderstandings, strife and war of the past." This meeting was of interest also as commencing, in a prominent way, a series of Liberal statements that Reciprocity meant something more than higher prices for the farmers. Mr. M. B. Jackson, the Chairman, in referring to the presence of ladies, said: "Reciprocity is a practical question. It is going to reduce the cost of the breakfast and dinner tables and, therefore, there are none more interested in it than the ladies." The Hon. Mr. Templeman argued along the same lines as to the estimated importation of about $14,000,000 of farm produce by the Province of British Columbia. "If the duty on American products enhances the price of the same products from the eastern Canadian Provinces then the people of this Province have paid in enhanced prices $1,900,000 a year." To the St. John *Telegraph* on July 6 Hon. W. Pugsley, Minister of Public Works, indicated clearly and concisely a Government view of the Agreement. He argued that the remission or reduction of duty on lumber, shingles, etc., would be a great stimulus to that industry; that the opening of the markets of Boston, New York, etc., for butter, eggs, poultry, cattle and potatoes would prove an immense benefit to the farmers of the Maritime Provinces; that the U. S. remission of $4.00 a ton duty on hay would be of special value to farmers along the border of New Brunswick, Ontario and Quebec; that the United States was

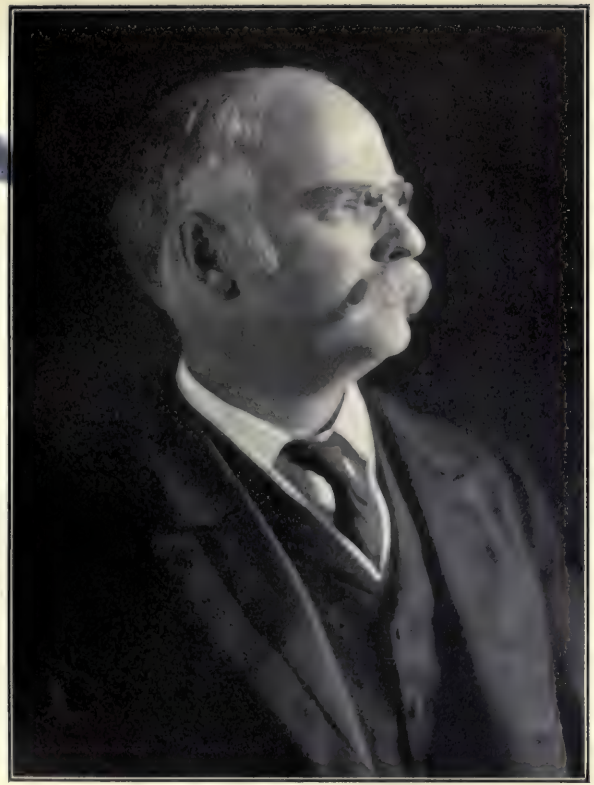
the natural market of both eastern and western fishermen and the natural outlet for the inexhaustible possibilities of Canadian mines. He declared the British preference to be nailed to the top-mast and said that a wave of favourable Reciprocity opinion was sweeping Canada from ocean to ocean. In this latter connection Hon. Mr. Oliver told the Winnipeg press on July 18, after his return from the Western tour, that " in my trip through the country I did not discover opposition to reciprocal trade in any quarter. The people of the West, whom I met in the three Prairie Provinces, are unanimous for the Agreement." On July 22nd the Toronto *Globe* dealt in a front-page editorial with the final passage of the Agreement in Congress in decidedly interesting language:

> We stand too close to the historic event of Saturday at Washington to appreciate its importance in world politics. To the historian hereafter it may present itself as the first definite action toward the Great Reconciliation as the Stamp Act stands out as the first direct cause of the Great Quarrel between the two branches of the Anglo-Saxon people. What emerges most clearly at the moment is the economic aspect. President Taft has done for the Republican party of the United States what Sir Robert Peel did for the Tory party of Great Britain three-quarters of a century ago. Under Mr. Taft's masterful leadership the party that almost deified high protection has declared that the protective principle shall not be applied to foodstuffs. . . . Under the protective system in its application to foodstuffs, the duties on wheat, barley, oats, beans, cattle, fish and meats have been prohibitive since the passage of the McKinley Tariff twenty years ago. The inevitable result has been the frequent cornering of the wheat market, and the increase of the price of wheat and flour far above that prevailing in the world's open markets.

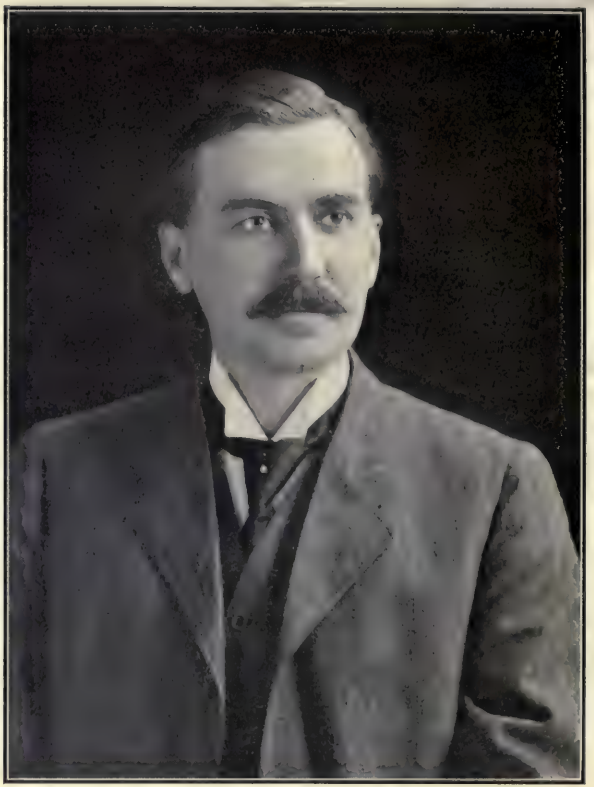
The United States, it was added, wanted alliance with England, through Canada, and British support in the future for the Monroe Doctrine. Meantime there had been a number of semi Free-trade utterances within the Liberal ranks which, no doubt, had a sort of cumulative influence upon industrial opinion. The Regina *Leader,* a most influential Western journal, reviewed on Jan. 11th its support of this principle: " The entry of all British trade into Canada absolutely unrestricted and free would have a most salutary effect on foreign nations in their tariff policy towards this Dominion. The present British preference, limited as it is, has demonstrated this. With absolute free-trade between Canada and Great Britain, and possibly with all British Dominions, the Empire would be practically self-sustaining, and the United States, Germany and other foreign countries would hesitate a long time before they adopted an unfriendly tariff attitude towards this country." Mr. E. C. Drury, President of the Canadian Council of Agriculture—in which were included the Western Grain Growers Associations, the Ontario Grange and Farmers organizations—made various speeches along the lines of one delivered at Beaverton on Jan. 27.

He there described Canada's fiscal system as the cause of rural young people going to the cities of Ontario, rural school attendance falling off, and farm-help being so scarce; he declared that Canada was too young a country to compete with older countries in manufacturing pursuits and should, therefore, "develop agriculture instead of manufacturing"; he claimed as an axiom that Protection raised the price of all home and imported manufactured goods to the price of the foreign article *plus* the duty; and stated that free-trade between England and Canada would do more to strengthen the Imperial tie than a fleet of Colonial battleships. "We farmers will ask that our duties be lowered irrespective of the reductions granted by other nations. This free-trade movement is spreading over the country. It is strong with the strength of righteousness and it will sweep everything before it." Mr. H. J. Logan, K.C., ex-M.P., of Amherst, N.S., was pronounced in a Montreal *Herald* interview on Feb. 8th: "Do those," he inquired indignantly, "who oppose this arrangement realize the tide which is rising so fast, not only in Canada but in the United States, against high tariff legislation? This tide will be stayed for a considerable length of time if the proposed Reciprocity arrangement is consummated; but if defeated what then? Surely we can see that within a very few years the tide will come on us with so great a flood that no party will be strong enough to resist the demand that there shall be Reciprocity not only in natural products but that the tariff wall must come down all along the line." There must be a compromise Reciprocity in natural products.

The Halifax *Chronicle* was rather strenuous on Mch. 10 in denouncing the alleged fight of the privileged classes against the people and in its reference to Mr. Borden and his personal friends, "who from time immemorial in Canada have stood where they stand to-day—firmly back of the wealthy manufacturers and malefactors when it comes to a line-up between them and the people." Senator W. C. Edwards of Ottawa, an uncompromising and well known Free-trader, spoke on May 30 at a Rockland meeting with Hon. Charles Murphy and declared himself a supporter of Reciprocity as "the nearest thing he had seen to free-trade." The Conservatives were fighting it because they feared the consequences. "They know that if it goes into operation its effects will be so conspicuously beneficial that the Liberals will be in power for the next fifty years." Mr. T. C. Norris, the Manitoba Provincial Leader, stated at Manitou on June 2nd that he was "in favour of reciprocity because it is an extension of free-trade. That is the policy of the Mother-country and, therefore, the Reciprocity Agreement is British from the beginning." Before passing from these general lines of Liberal thought up to the time of Parliamentary Dissolution, three further quotations may be given:



THE HON. CHARLES JOSEPH DOHERTY, K.C., LL.D., D.C.L., M.P.
Minister of Justice.



THE HON. WILLIAM THOMAS WHITE, B.A., M.P.
Minister of Finance.

In the new Borden Government, 1911.

Jan. 28.—George Tanguay, EX-M.L.A. and one-time President of the Quebec Board of Trade: "Quebec will largely benefit by Reciprocity. The Province exports hundreds of thousands of tons of hay and the change means $4 a ton more for farmers. As for pork the reduction of the tariff will work no injury, because the large fat pork imported cannot be advantageously raised in Canada, requiring a corn feed which is not economically produced here. Its free entry will mean much to lumber operators who use this pork in the woods. Farmers will profit by the cheapening of timothy seed, which cannot be advantageously raised here. The admission of eggs and poultry will probably lead to greater production here."

Feb. 16.—Duncan Ross, EX-M.P., at Victoria, B.C.: "An analysis of the Schedules would lead one to the conclusion that so far as the application of a tariff affects the cost of living, the saving to the people of British Columbia should be at least 25 per cent. The passage of the Reciprocity Agreement must be followed by a still greater British Preference, and this will again help to materially reduce the cost of living in this country."

Mar. 2.—At Richmond Hill, N. W. Rowell, K.C., argues as follows: "If Canada had the great British market entirely for herself we could sell only 275,000,000 bushels of wheat or flour. Saskatchewan will grow that amount three times over in ten years, and have enough left over for herself. We need both the American and the British market. I agree that a home market is the best. Reciprocity will give us a home market enlarged from 8 millions to 90 millions of people by a stroke of the pen."

Conservative Policy and Opposition to Reciprocity

The Conservative view was not formed in an hour; it crystallized as a result of natural tendencies in thought working with practical reasons adduced by individuals, constituencies and protesting Liberals. It is safe to say that while Reciprocity was a reasonable principle for the Government party to urge it was not so for either old-time Tories or modern Imperialists—whatever the technical and historical record of political advocacy may have been. The modern Conservative party in Canada never had any real leanings toward Reciprocity—apart from exigencies of the moment—and always had a tendency to look toward Great Britain rather than the United States. The question in this case, however, was sprung so suddenly that it took a little time for the party feeling and instinctive sentiments of antagonism to become focussed upon what at first appeared a desperate and somewhat hopeless struggle. When this was done the issue soon became clear.

As time passed on the Conservative Opposition rang the varied tunes of British Empire music against an alleged Continentalism; of moderate protection, stable tariffs, assured industrial development, urban progress and prosperous workmen, against free-trade in natural products as a probable stepping-stone to a wider and more dangerous application of the principle; of guarding the Canadian farmer against the competition and pressure of production by a 90-million nation in the home market of a 7-million people; of protest against the contention sometimes heard that prices under Reciprocity could be higher for farm products and

lower for the much-pressed consumer in the cities; of Imperial reciprocity and British trade union as against United States complications and continental entanglements. It was claimed that the Agreement restricted and might destroy Canada's fiscal autonomy; that it was Reciprocity between peoples producing similar products and competitive by nature rather than complementary; that it was destructive of Canada's natural resources with the lowest possible returns and for the benefit of the United States manufacturer; that any such arrangement hampered Canada in dealing with the quick and incessant change of conditions natural to its great growth; that it affected transportation interests and vitiated the national credit through injuring present investments; that it tended to separate still further the East and the West and to create widely divergent interests within the Dominion; that it killed the possiblity of a Preferential trade union of the Empire.

Mr. R. L. Borden, the Opposition Leader, in a corrected report of a Toronto interview—*Star,* Jan. 10—early spoke of the coming Agreement as follows: "I said that a commercial treaty must necessarily be presented to Parliament for ratification; that the fate of such a treaty involves the fate of the Government which has negotiated it; that for this reason supporters of the Ministry are apt to vote for it even if they do not approve it. I said that the Government ought to submit to Parliament a clear statement of the principles upon which they propose to negotiate." Of the Leader, on Jan. 25th, the Toronto *News* said: "Mr. Borden deserves to be esteemed and honoured by his own party, and has earned by rich personal qualities and splendid public services the great and increasing regard in which he is held by the whole country. Moreover he leads a party in the House of Commons that will bear comparison with any Opposition that Parliament has known since Confederation and entirely equal to the responsibilities of government when these shall fall upon its shoulders." During the succeeding two or three months Mr. Borden assumed the burden of much fighting in the House of Commons and was said, also, to have had trouble of different kinds with divergent elements in his own Party. The Liberal press got so far in March as to describe a crisis in the Conservative management, to declare that certain prominent Montreal interests wanted a new Leader and to announce—Ottawa correspondence of Montreal *Herald*—on Mch. 28th that Mr. Borden had decided to resign. It was stated on the 29th, however, that he had changed his mind on receipt of a "declaration of allegiance" signed by nearly every member of the Opposition—except a few French-Canadians and six English members.

Whatever trouble there may have been soon passed away in presence of a great issue and with the recognition of the obvious fact that without Mr. Borden at this juncture there would be no

hope of success. On May 5th, after the season of keen and successful struggle in the Commons, the Opposition Leader gave a banquet to the Premiers of British Columbia and New Brunswick, the Attorney-General of British Columbia (Mr. W. J. Bowser) and the Minister of Public Works in Manitoba (Mr. R. Rogers). The chief point of Mr. Borden's speech was the quoting of President Taft's statement that Canada was "at the parting of the ways" and the expression of belief that this utterance and others as to the destruction of a Preferential trade policy on the part of the British Empire, by Reciprocity, were profound truths. As to the future the Conservative party must prepare to take office. "Let me say that one great principle and policy should ever be in mind. The West and the East of Canada must not be separated by any apparent divergence of interest, or by any unfortunate divergence of sentiment. Let us alter but one word in a well-known line and say: 'Oh, East is East and West is West, but never the twain shall part.' Let us not fail to recognize that henceforth the West of Canada must have more and more influence and a greater voice in Parliament and in the Cabinet than has heretofore been the case!" The tour of the West followed and Mr. Borden's denunciations of Reciprocity, his clear-cut expressions of hostility to the Agreement, his frank treatment of the issue before audiences largely favourable to the Liberal view, had an indirect but stirring influence all over the Dominion. Upon his return in the middle of July Mr. Borden found himself leading a fighting and confident party.

Meantime other prominent Conservatives had been dealing with the question at issue and, early in the discussion, Hon. George E. Foster (*Canadian Century,* Feb. 18) stated the following argument: "When we have abandoned the old policy and settled down to the new, suddenly, at any whim and in any contest of parties in the United States, the reciprocal advantage may be withdrawn and the new channels of trade closed. Then, with confusion, dislocation and loss, we must begin again the long struggle to open up the old channels and regain the advantages which were thrown away." Mr. W. H. Rowley, President of the Canadian Manufacturers Association, put the issue pretty strongly on Jan. 27th: "The new Agreement will mean the wasting of our forests, fisheries, lands, fur-bearing animals, waterways and other public utilities, in the same way as they have been wasted in the United States. That is to say, the States will take everything from us and replace it with nothing. Our lands will become barren, our forests denuded, and our rivers dry." In the Manitoba Legislature on Feb. 22nd the Hon. R. P. Roblin summarized his views, after an eloquent speech, as follows:

I am opposed to the Reciprocity proposition because it will unsettle and disturb our prosperity; because it will lessen the securities of the

Britishers who have poured their millions into Canada for her development; because there is enough of individuality and of enterprise amongst the Canadian people to maintain the enviable position that we occupy to-day; because it appeals only to the sordid and the selfish side of our citizenship and because it contravenes the spirit of our institutions; because it will destroy our greater inter-Provincial trade and darken the sun of our prosperity; because it will cloud the future with uncertainty, and divert, as it is intended to, the channels of trade to the south of us, into ways of which we know not, and to an end which may be far more disastrous than financial loss, namely, the loss of our independence as a Dominion of the British Empire.

On Mar. 20 the Montreal *Star* commenced a vigorous fight with a passing reference to the trade details of the Agreement and a summing up of the situation as follows: "These are interesting but comparatively trivial questions. Wellington did not discuss boot-straps at Waterloo. Until we are assured that the flag will keep flying, we have no time to revise customs schedules. There is but one question before us to-day—a dominant question, a decisive question—Is our national heritage for sale?" Mr. H. B. Ames, M.P., speaking at Chatham on Mch. 11th was emphatic. "Let us be an independent nation rather than the backyard of the United States," he exclaimed with great approval from his hearers. "Reciprocity is the leak in the dyke; it will widen and widen until it is beyond our control to stop it. The United States will have it in their power to ruin us commercially in this partnership. Our identity will be lost and with it will go our reputation which we have taken years to build up. It will mean the disruption of business, the dislocation of interchange between the Provinces, the ruin of factories, and the disintegration of Canada's component parts." As the weeks passed the Conservative attitude grew stiffer and more aggressive. On Apl. 8 the Montreal *Star* asked this question: "When did you ever see the American leaders so united before? On what other issue did Taft and Bryan, Roosevelt and Aldrich, Champ Clark and Senator Root, the New York *Times* and the New York *World*, Beveridge and Cabot Lodge, ever get together? Why do they get together now? Annexation. Is this a time, then, for Canadian politicians to play politics?"

The Opposition was not without an alternative policy. The Hon. Robert Rogers, of the Manitoba Government, put the British Mutual Preference idea as follows at Stonewall on Apl. 18th: "What will be the possibilities of such a step if it is taken? We sell our goods in England. We send our wheat, our butter, our cheese, all our natural products, but there we have to compete with similar products from the United States, from Russia, and other nations. Just see what a great advantage it would be to Canada if the wheat, cheese and butter which we send to England should be met with a preference over similar products of other nations! The possibilities are immense. England does not expect that we

should take her own system of free-trade; but I lay before you that the thing the English people would expect in return is that we should adopt a revenue form of tariff pure and simple. These are the conditions on which we can have that boon." Mr. Premier Roblin was a frequent and pioneer exponent of a mutual preference; so was Mr. George E. Foster, M.P. The Opposition Leader (Mr. Borden) never made a speech during these months without declaring that Reciprocity would more or less debar Canada from sharing in the ripe fruits of such an ideal. As to this the Toronto *News* on July 31 said: "Moreover, under free-trade with the United States in natural products, we sacrifice the prospect of preferential treatment of Canadian products in British markets. With the constitutional issue settled there is hardly a doubt that Tariff Reform will prevail in Great Britain. Under the policy of Chamberlain and Balfour the farmers of Canada would enjoy an advantage over those of the United States in the British market where, Mr. Taft declares, the prices of farm products are settled. It is manifest, however, that if we admit American products into Canada, under free trade conditions, they would seek an outlet at Canadian ports and that it would be impossible for the Mother-Country, under such circumstances, to extend preferential treatment to the products of Canada."

Following upon the campaign put up in Parliament the Conservative press continued a keen and vigorous attack upon Reciprocity. Speakers also were everywhere. In June Manitoba was alive with the Opposition orators who accompanied Mr. Borden to the West—T. W. Crothers, M.P., and Colonel Hugh Clark addressed a long series of meetings; Mr. J. A. M. Aikins, K.C., of Winnipeg, spoke also at a dozen points and members of Parliament such as Arthur Meighen, Glen Campbell, W. D. Staples and G. H. Bradbury helped in the campaign. Some of these gentlemen also spoke in Saskatchewan and Alberta. H. B. Ames, M.P., and Prof. E. P. Leacock of Montreal addressed meetings in the Maritime Provinces. So it was in other parts of the country. To Ontario, in particular, the Toronto *World* made appeal on July 12 to deal with an issue which was said to involve Canadian nationhood and British connection and American interference with our Tariff independence. "The great fighting ground will be Ontario. We must beat it here to a finish. Ontario is Canadian from the crown of her head to the sole of her foot. Let Ontario people, whether Conservative or Liberal, assert their faith in Canadian nationality. Let them give Americans to understand that their hopes of continentalism, of the incorporation of Canada by steady but insidious policy, will never be encouraged by them. We believe Ontario is three to one against Reciprocity. Let us say so. If we do Commercial Union is killed forever. Sir Wilfrid Laurier will disappear but so will Continentalism."

Dissolution of Parliament and the Party Manifestoes

When the announcement of Dissolution was made on July 29, with the Elections called for September 21st, both parties expressed the utmost confidence. The comment of the Montreal *Herald* (July 31) on the situation was a fair one: "No doubt each party will dwell on other subjects during the campaign, but the decision of the electorate will rest on Reciprocity. The result will be accepted by the whole country as endorsation or condemnation of this particular policy. The Opposition in the House have forced the Administration to go to the country on this issue. They have appealed unto Cæsar. Unto Cæsar they shall go. If Reciprocity means what some members of the Opposition claim it means the Government had certainly no mandate for pressing it through Parliament. No Government, without authority, unqualified and comprehensive, would be entitled to commit the Dominion to a policy which reversed our traditional attitude towards the rest of the Empire, and set our face as a nation towards union with the States. It is being proclaimed on the housetops that Reciprocity means these things and the good folks who accept these house-top warnings, as trustworthy indications of coming danger, are certainly entitled to their belief that the country should be consulted. We hold these interpretations of the meaning of Reciprocity absurd, but what is shown on its face is of sufficient importance to warrant all the examination of the proposed Agreement which will be given it in the course of a General Election."

It was claimed by the Liberal press, or parts of it, that the Government might sweep New Brunswick and Nova Scotia, that some gains would be made in British Columbia owing to alleged Conservative dissensions, that the Reciprocity issue in Quebec would sidetrack the Navy, eliminate the Nationalists and leave the Laurier influence paramount with, perhaps, a few losses in the Montreal District; that Western Canada would give a large Reciprocity majority; that there would be some gains in rural Ontario and some urban losses leaving the result much the same; that the Government would be returned with a slightly diminished majority. The Liberal press appeared to be satisfied and entered upon the fight with spirit. The Prime Minister's Manifesto which gave the key-note to the Liberal campaign was as follows and was dated July 29th:

At all times during the last forty years it has been the constant effort of all political parties in Canada to make with the United States an arrangement for the free exchange of natural products between the two countries. In 1854 Lord Elgin, on behalf of Canada and the Maritime Provinces, negotiated with the United States a treaty for that purpose which lasted until 1866, and which within the memory of many still alive was of the greatest advantage. Ever since the termination of that Treaty all public men of any prominence in Canada, whatever their differences on other questions, have been unanimous in an attempt to again secure the free exchange of natural products.

Nor is this to be wondered at, seeing that in the industries—agriculture, fisheries, lumbering, and mining—Canada possesses advantages enjoyed by no other country on earth, and that upon the markets secured for the products of these industries depend the growth of our manufacturing and commercial interests and the prosperity of all classes in the Dominion. The latest attempt of the Conservative party to that end was made by Sir John Macdonald himself, who dissolved Parliament in 1891 for the purpose of submitting to the electorate of Canada the expediency of his again approaching the American authorities for the renewal of the Treaty of 1854.

In 1893 the intention to obtain Reciprocity with the United States, if it were possible, was made a prominent feature in the platform of the Liberal party, upon which that party attained power. In 1896, after the present Government took office, it renewed in vain this offer to the United States, but, meeting with no response, it declared that no further overtures of this nature would be made by Canada.

Within the last twelve months the President of the United States sent to Ottawa two Commissioners from Washington for the purpose of opening negotiations looking toward the lowering of the tariff barriers which have hitherto stood in the way of freer exchange of commodities between Canada and the United States. These negotiations in January last culminated in an Agreement between the two Governments by which the duties of each country on such products might be lowered or altogether removed.

This Agreement was strenuously resisted in the United States by various interests on the alleged ground that it was all to the advantage of Canada and to the detriment of the other country, but the view that it was mutually advantageous to both countries finally prevailed in Congress, and the Agreement stands to-day as an offer by the United States to Canada of that very measure of Reciprocity which for more than forty years has engaged the earnest and constant efforts of every leading Canadian statesman.

The present Conservative party in Parliament seeks absolutely to reverse the life-long policy of its great leaders in the past, declaring that it will oppose to the bitter end the very principles enunciated by both Sir John Macdonald and Sir John Thompson in the last election address upon which each of those statesmen ever appealed to the Canadian people.

Not content to debate this proposition upon its merits, the Conservative party in the Commons has adopted a system of organized and avowed obstruction to prevent any vote from being taken in Parliament by which the opinion of your representatives there could be expressed. Day after day, when the presiding officer has tried to put the question, he has been met by dilatory motions, by endless speeches, and by obstructive devices of every kind, each put forward on some specious pretext, but being in reality nothing else than an abuse of the freedom of speech of Parliamentary debate. Such pretences are simply a clumsy attempt to give some colour to the unwarranted and undignified obstruction.

To overcome that obstruction after a session which has already lasted eight months, would not only mean a continuation of the unseemly spectacle presented by the Opposition in the House of Commons since the resumption of its sittings on the 18th inst., but would also mean weeks and months of wasted time, and perhaps, in the end, the loss for this season to the Canadian producer of the free American market.

The issue, my fellow-countrymen, is in your hands, and to your decision His Majesty's Government in Canada are well content to leave it. It has been alleged by the Opposition that this Agreement, if consummated, would imperil Canada's connection with the Mother-country, and finally bring about the annexation of Canada to the United States. It is impossible to treat such an argument with any kind of respect, if, indeed, it can be dignified with the name of argument; for if it has any meaning, its meaning is that the people of Canada would be seduced from their allegiance by prosperity to follow the larger flow of natural

products from this country to the other. Indeed, the very reverse would be the natural consequence, for the experience of all ages abundantly testifies that trade is ever the most potent agency of peace, amity, and mutual respect between nations.

Nor is that all. This Agreement, which in no way impairs our fiscal policy, which still maintains at topmast the proud principle of British Preference—this Agreement, by opening new avenues of trade hitherto closed, would further improve the friendly relations which now happily exist between this country and the Mother-country on the one hand and the American Republic on the other, and which it is hoped may at no distant day eventuate into a general treaty of arbitration, the effect of which would be to remove for ever all possibilities of war between the great Empire of which we are proud to form part and the great nation which we are proud to have as neighbours.

The Conservative outlook at this time was distinctly hopeful. Mr. Borden had returned from his Western trip feeling that at least some impression had been made in the stronghold of Reciprocity. The analytical side of his press claimed that Nationalism in Quebec was active, influential and, while confusing the general situation, would certainly hurt the Government considerably in that Province; that the Imperialist thought of Canada was greatly antagonized and the Premier's attitude at the Imperial Conference unpopular; that industrial communities everywhere were stirred up and fearful of some unknown but vaguely feared danger to their interests; that the Government was weaker in all the Provinces than at any time since it assumed office. Upon the news of Dissolution the Opposition Leader issued a Manifesto but it was only a sort of introductory comment; a preliminary to the strong appeal and keen arraignment of Reciprocity which he afterwards published.

In this document of July 30 Mr. Borden described the Elections as a great surprise to the Liberal party in general and as apparently decided upon in a hurry or panic; charged the Government with having dissolved the House without prorogation, without supplies and without a redistribution of seats; pointed to his own speech of Mch. 8 urging them to bring in a Redistribution, give every part of the country its proper representation after the recent Census, and then refer the question of Reciprocity to the people; declared that from a constitutional point of view there should be no dissolution without supplies and stated that the Opposition had proved their readiness to grant what was necessary for a reasonable period; denounced the Government for having by this sudden appeal to the country burked the proceedings of the Committee of Inquiry into the charges made against Hon. Mr. Oliver by D. McGillicuddy and the Toronto *Telegram*. He very briefly touched the vital issue of the contest as follows: "The Conservative Party welcomes an appeal to the people upon the great issue which has been under discussion in Parliament. The President of the United States has more than once emphasized the fact that Canada is to-day at the parting of the ways. These

two ways lead in very divergent directions. The choice of the people will be fraught with momentous consequences to the future destiny of this country. It is right and just that they should speak, because with them rests the ultimate decision."

Following this declaration the Ontario part of the campaign was put into the hands of Hon. Frank Cochrane, Provincial Minister of Lands and Mines, assisted by J. S. Carstairs as Secretary; the Anti-Reciprocity Leagues in Montreal and Toronto redoubled their efforts, and a campaign of speech-making was arranged for Mr. Borden, the Hon. Clifford Sifton, Mr. W. T. White and other Conservative or Liberal opponents of Reciprocity. The Hon. Robert Rogers took charge of the Manitoba campaign with a general supervision of all Canadian arrangements while Mr. Premier McBride commenced a speaking-tour of British Columbia; Mr. J. D. Hazen, Premier of New Brunswick, Mr. R. B. Bennett, K.C., in Alberta and Mr. F. W. G. Haultain, K.C., in Saskatchewan announced their active aid to Mr. Borden and his cause.

It may be added here that the standing of the Parties in the House at dissolution included 36 Liberals and 50 Conservatives from Ontario, 54 Liberals and 11 Conservatives from Quebec, 11 Liberals and 2 Conservatives from New Brunswick, 12 Liberals and 6 Conservatives from Nova Scotia, 3 Liberals and 1 Conservative from Prince Edward Island, 2 Liberals and 8 Conservatives from Manitoba, 2 Liberals and 5 Conservatives from British Columbia, 9 Liberals and 1 Conservative from Saskatchewan, 4 Liberals and 3 Conservatives from Alberta and 1 Liberal from the Yukon. The Government majority was, therefore, 47 and, to gain a bare majority of the House the Conservatives had to win 25 seats. Where, asked the Liberal press, were they going to get them? The *Globe* declared on Aug. 5th that the Liberals would come into Ontario with a majority of at least 33 and a clear Liberal majority in Ontario was to be also expected.

Sir Wilfrid Laurier's Speeches in the Campaign

Of the Prime Minister as he entered upon this eventful campaign much was written. His embodiment of Party principles and absolute control of its policy; his personal aloofness from the mass of party workers or of Canadians as a whole; his self-repression and self-control, his personal graces and effective work upon the political platform; his mastership in the world of phrase-making and oratorical appeal; his alleged opportunism, undoubted diplomacy and obvious good luck, were subjects of frequent analysis in the press and on the forum. Following his Address to the People, of July 29th, Sir Wilfrid opened the campaign at Simcoe on Aug. 15th with the statement that Sir John Macdonald had been "the Moses of Reciprocity who failed to reach the Promised Land; he would be the Joshua who would lead the people of Canada to the goal." There was an immense out-door gathering,

largely farmers, and a strong personal appeal was made: "I am again in the battle, devoutly thanking Providence that my life has been spared and my health preserved to the present occasion; that it may be my privilege to see the completion of this great and long-looked for policy of freer trade between our Dominion and the great Republic to the south; this policy which, it is well known, has received the endorsation, commendation and active support of all public men who have been at the helm in Canada." The speaker declared that if the farmers were to be benefited by this policy all sections of the community would benefit because agriculture was at the foundation of Canada's prosperity. As to Annexation he repudiated all thought of danger. "If I were privileged to address an American audience I would tell them: 'We want to trade with you but if the price we are to pay for it is the sacrifice of our manhood, keep your trade, we will have none of it.'"

Sir Wilfrid declared the expressed fear of favoured-nation competition to be ridiculous. The trade with the 12 countries was analyzed as totalling less than $10,000,000 and including imports such as rice, laces, ladies' blouses, fruits, almonds, and wine. Would this trade hurt the farmer? He quoted the Imperial Conference Resolution, asking for abrogation of these Treaties by the Imperial Government, which had been passed. "The British Government, upon our complaint, is ready to enter upon negotiations in order to remove us from the operation of these Treaties.* Much stress was laid by the Premier upon the point of better relations with the United States. "This Agreement constitutes a bond of peace and harmony, of friendship, between the two nations. It insures that there shall be and remain a bond of mutual respect between them. . . We have seen the dawn of a new era. Better and nobler sentiments prevail. We have learned, perhaps in spite of ourselves, that blood is thicker than water." A warm tribute was paid to the late John Charlton—so many years Member for Norfolk.

From this meeting Sir Wilfrid passed into Quebec and spoke at Three Rivers on Aug. 17th, Quebec on the 18th, St. Julienne on the 21st, St. Eustache and Ahuntsic on the 22nd, Sorel on the 23rd, St. Jerome on the 24th, Farnham on the 25th, and Valleyfield on the 26th. Much attention was naturally given at these gatherings to the Nationalists. At Three Rivers 10,000 people assembled and Dr. H. S. Béland, the new Postmaster-General, made a most successful speech. Sir Wilfrid vigorously denounced opposing elements in the contest. "Bourassa was once a Liberal and is now a Conservative. I know that he would protest against and deny such a statement but I can prove it by the proverb 'tell

* NOTE.—Action was duly taken in London, and at the beginning of 1912 it was announced that only one country had consented to re-open these arrangements.

me who your friends are and I will tell you what you are'—the friends of Bourassa are the Conservatives of Ontario. He tells you that he must overthrow Laurier, but I tell you that he and the Nationalists are not able to do it. He is obliged to make an alliance with the Tories, the Jingoes, and all other re-actionary elements of Ontario and the other English provinces. Dr. Béland has spoken to you of a conspiracy between Monk and Borden and I tell you that it is a fact. Mr. Borden wishes to overthrow me because my Navy will, they say, be useless to England; Monk and Bourassa want to overthrow me because of having created a Navy at all."*

An eloquent expression of British loyalty was made: "The security of the Province of Quebec lies under the British flag. The day when England's supremacy on the seas is threatened, the privileges of the French-Canadians and Catholics of Quebec will be threatened. The day when England's supremacy is destroyed your national and religious privileges will be endangered. Who is the man in this country who wants to be separated from England? And if the supremacy of England is threatened who is the French-Canadian who will say: 'No, I will not participate in the war'?" At Quebec the Premier pointed out the necessity of a small armed force in such a country as Canada, denounced the Naval conscription stories as lies, stated that the new Navy would not cost more than $3,000,000 a year, described the prosperity of Canada as due to the Government's efforts, and stated the dissolution of Parliament to be due to their desire to enter into closer trade relationship with the American Republic. Dr. Béland followed with a warning. "I tell you," he said, "that if you defeat Laurier and put Borden into power you will have to swallow a larger Navy and one which will be an Imperial Navy." Sir Lomer Gouin, the Provincial Premier, also spoke and declared that the farmers and settlers in the newer regions of Quebec needed Reciprocity in order that they might be able to reach the markets of the United States with their products.

The St. Julienne speech was notable for one of the Premier's Scriptural references: "The Liberal Government is like the Kingdom of Heaven, 'Ask and you will receive.' When St. Donat asks for a railway extension from Rawdon I say 'Ask and you will receive.' This railway should be constructed to put Montreal in communication with the Transcontinental." As to the Tariff duties he clearly proclaimed the producer as paying them. "If you ship to the United States you will have to encounter the customs duties. On hay you will pay $4 a ton; on straw $1 a ton; on horses 25 per cent. of their values; on lambs 65 cents a head; on sheep $1.50 a head. We have arranged that all these products will enter free into the United States." The Hon. R. Lemieux

* Note.—Montreal *Herald* (Lib.) report.

also spoke and, after a strong attack upon the Nationalist position and defence of the Government's Naval policy, said: "If the flag is threatened and England's supremacy endangered, who would hesitate to go to the help of the flag which stands for right, justice, tolerance and liberty?"

At St. Eustache the Premier repeated his old-time phrase: "I am neither an Imperialist nor an anti-Imperialist. I am a Canadian first, last, and always." He commented sarcastically upon what he termed the Bourassa-Borden-Monk-Sifton alliance. "What a salad!" he observed, amid laughter. Messrs. Monk and Bourassa were, respectively, the oil and vinegar and Mr. Borden had to eat it. "A vote for Bourassa is a vote for Borden and a $25,000,000 contribution to England, a tribute to be paid into the strong boxes of London." The Laurier programme was one of a Navy under the control of the Canadian Parliament. "We will protect the English flag when we are needed, but not mechanically, and will do so believing it to be our duty to protect the flag of liberty." To 5,000 people at Sorel the Premier presented the argument as to hay. "It sells at $13 a ton in Montreal and $20 in Boston. You have a fine hay crop in Richelieu. If you send it to Boston and sell it for $20 you will have to pay $3 or $4 freight and $4 customs duties. But remove that $4 duty and you put the $4 in your pocket." He thought it was not the manufacturers chiefly who opposed Reciprocity. "It was the Jingoes of England and Canada. What are Jingoes? Castors of England and the English Provinces of Canada, a small body who wish British countries to trade only with one another and to exclude others; while the object of the Liberals is to trade with British countries, but also to trade with other countries, with France with whom we have a treaty and with the United States, for which purpose we are making the Reciprocity convention."

At St. Jerome, Sir Wilfrid declared that "all the signs point to a greater majority this election than ever. I feel that justice and truth will triumph again." According to all the press reports he also made this announcement: "If I were fifty years of age or even sixty I might begin the struggle over again as Chief of the Opposition. But if another is chosen as head of the Government I will then retire to the rest which I believe I have earned." The feature of these meetings was the freshness and vigour and optimism of the Prime Minister—then on the threshold of 70; the fact that there was obvious but restrained opposition present in many cases; the decorated streets and the occasionally conspicuous place of the Stars and Stripe—as at Sorel; the help of Hon. R. Lemieux as a speaker at most of the gatherings.

Sir Wilfrid was at St. John, N.B., on Aug. 28th where he was given a torch-light procession and a splendid reception. To him the St. John *Telegraph* gave a ringing welcome. "Canada has had no leader who was Sir Wilfrid's peer, no statesman whose

achievements may properly be compared with his. Vision he has had beyond all Canadians. It has been given to him to see the possibilities of Canada in the large; he was among the earliest men of our day to grasp fully the wondrous possibilities of the land we live in. . . . He has brought about vast projects of development, sought out immense new markets for our products, given breadth and solidarity to the erstwhile thinly populated country, brought new provinces into being, filled up the great West, linked up the various sections of the country by means of transcontinental railways, crowded the ocean ports with steam tonnage, given us a new reputation and solid financial standing in the bourses of the world."

There were 7,000 people said to be present in the Rink. Upon the Preference question he was very clear: "We created the British Preference of our own free will. We raised it twice, and we are ready to increase it again, if need be. But we will do it of our own free will. We will not bargain with the Motherland; we are concerned only in this: that the British people will do what is best for themselves. If it suits them to continue the policy of free-trade, well and good. If they change their policy and offer us Preference there is nothing in this Agreement to prevent our entering into a similar policy with Great Britain." Every one had wanted Reciprocity until now when his Government had obtained it. The loyalty and annexation cries he described as nonsense. The following phrase was afterwards much quoted by Conservatives: "Removal of the duty means that trade will flow from Canada into the United States as water through a millrace."* He closed as follows:

I appeal to you who know me and the work of my Administration to uphold me and my Government against the unholy alliance of the Tories of Quebec and the Tories of Ontario. I am branded in Quebec as a traitor to the French, and in Ontario as a traitor to the English. In Quebec I am branded as a Jingo and in Ontario as a Separatist. In Quebec I am attacked as an Imperialist and in Ontario as an anti-Imperialist. I am neither. I am a Canadian. Canada has been the inspiration of my life. I have had before me as a pillar of fire by night and a pillar of cloud by day a policy of true Canadianism, of moderation and of conciliation. I have followed it consistently since the day of our triumph in 1896, and I now appeal with confidence to the whole Canadian people to uphold me in this policy of sound Canadianism which makes for the greatness of our country and of the Empire.

Digby, N.S., was visited on the 29th, and speeches delivered by the Premier, Hon. W. S. Fielding and Hon. Charles Marcil. The speech of Mr. Fielding at this place contained an afterwards much quoted remark: "I am a reasonable, sane and rational free-trader, but I am not such a free-trader as to strike down any legitimate industry, and I have told the manufacturers that if they are fair and reasonable they can count on my support." The

* NOTE.—Report of speech in St. John *Telegraph* (Lib.) Aug. 29th.

Premier and his party were at Halifax and Truro on the 30th and at Stellarton and New Glasgow on the 31st. At the latter place Sir Wilfrid paid high tribute to British policy in South Africa and denounced *Le Devoir* for publishing as a campaign leaflet an article published on July 13 which charged him with being an ultra-Imperialist and as intriguing with Mr. Chamberlain to support that policy through an "infamous war." Charlottetown, P.E.I., was reached on Sept. 1st and addresses given there and at Summerside and at Moncton, N.B., on the 2nd. Here the town was ablaze with coloured lights and rockets and the streets thronged with torch-bearers.

The Premier reached Montreal on Sept. 3rd—addressing gatherings on the way, of at least 25,000 people, at Pugwash, Oxford, Maccan, and Amherst—with expressed certainty as to results. At Montreal he said: "The endorsation of Reciprocity is as sure as it is that yonder sun shines." At Coteau, on the following day, Sir Wilfrid accepted a nomination for Soulanges County in order to settle a dispute between Liberal factions. He told the electors it was their fight and that he had not five minutes to give them between this time and election day. "We are going to win throughout the country. All that is left of the Conservative Party is a few voters in scattered parts of Canada. It has no leaders. It has no head. Mr. Monk, one of the nominal leaders, is against everything and against everybody in his party. Mr. Borden is against Reciprocity and Mr. Bourassa is against the Navy and each is against the other."

From this meeting Sir Wilfrid passed in the evening to Glengarry where he opened an Ontario tour accompanied by Messrs. G. P. Graham and Charles Murphy. Here the Premier presented the argument that as an Arbitration Treaty had been signed by Britain and the States there could never be war between those countries and, therefore, no possibility of the forcible annexation of Canada. As there could never be a peacable annexation the question was not involved in Reciprocity. On the 5th the Premier was at Cobourg and again combined the points of an argument which he presented frequently during the campaign: (1) Reciprocity would do the farmers good and the manufacturers no harm; (2) the favoured-nation treaties would be abrogated, Canada be still more free to negotiate its own arrangements and to continue its "development of an autonomous nationality"; (3) he was "a Canadian pure and simple," neither an Imperialist nor the reverse; (4) selling hogs in the United States did not involve a selling of our nationality; (5) Reciprocity and the Arbitration Treaty together would "show to the world two great peoples living side by side on this continent in peace, amity and friendship."

The Premier was at Collingwood on Sept. 6th and in a far leap reached Sudbury on the 7th where a large part of his audience were French-Canadians. A reference was here made to Presi-

dent Taft's utterances. "If it be true that President Taft said that Canada is at the parting of the ways I would say to President Taft that he does not know what he is talking about. I would say to him: We are prepared to meet you in business, but if you want to talk politics, keep to your side of the line and we shall keep to ours." Then the Premier jumped away west to Stratford and London, which were visited on the 8th. To the railway men of the former place Sir Wilfrid presented this view: "At present raw products are higher in the United States than in Canada and finished products are higher in Canada than in the United States. Under Reciprocity there will be a levelling of prices. I think that if the railway men have the same scale of wages as the Americans, they cannot object if we have the same scale of prices on both sides of the line." To the farmers he adduced the following argument: "There is a good market for apples a little to the south, but at present when the farmers get to the American border with their apples they have to take 25 cents per bushel out of their pockets and hand it to the United States tax collector. It is the same with horses, so many of which are raised in your district. On a horse of $200 in value you have to pay a duty of $50. That might be well, but to keep that $50 in your pockets is better."

At London the manufacturers were promised that there should be no revision of the Tariff affecting their interests without a Commission of Investigation. At Windsor, on the 9th, Sir Wilfrid completed his Ontario tour. As at Cobourg, where hundreds of Americans reside in summer, so here where Detroit rests just across the River, United States citizens were largely in evidence. Out of this rather natural situation the Conservatives afterwards made considerable capital. Senator W. A. Smith and M. A. McRae, President of the Detroit Chamber of Commerce, were on the platform. Here the Premier proclaimed his ideal. "It is not Imperialism. It is Canada, first, last and always." Outside of this "the aim which is the goal of my life is that there shall be absolute peace between the two peoples on this North American continent, and that, while preserving their national identities they shall show the world a noble emulation in the arts of science and trade. That is the goal to which we are tending and, if we succeed, we shall give an example to the world such as she has never seen, and achieve a destiny as noble as any that can be dreamed of."

On Sept. 11th the Premier was back again in Quebec making speeches in a variety of small centres. At Victoriaville on this date, at Beauce Junction and Thetford Mines on the 12th, at Montmagny on the 13th, at Quebec—to English-speaking electors—on the 14th, at Rimouski on the 15th and Grand Mêre on the 16th, at Joliette on the 17th, the Premier denounced the "unholy alliance" of Nationalists and Imperialists, of Messrs. Borden, Monk, and Sifton; described how under Liberal rule Canada had

grown from " a geographical expression " to a country whose citizens were received in London or Paris, Berlin or Rome with lifted caps and open doors; stated that Reciprocity was the result of a Pilgrimage from Washington and its rejection would be a crime against civilization; declared that the Trusts in the United States and Canada had made common cause against it; denounced " the mountain of words " and persistent obstruction used by the Opposition in Parliament against the Agreement; claimed the Opposition argument that the country is prosperous and change therefore unwise to be a great tribute to Liberal administration; urged the farmer to put into his pockets the $4.00 duty per ton now paid upon hay entering the United States; declared again and again that the Canadian Navy meant neither conscription nor increased burdens for the masses and that its creation was necessary to maintain Canada's national position and pride; announced his splendid health and assured hope of victory.

At these meetings Hon. H. S. Béland was a strong support for the Premier while Hon. C. R. Devlin, Hon. J. E. Caron and other members of the Quebec Government spoke from time to time. The Quebec meeting was notable for the Premier's reference to the manufacturers: " I do not understand why the manufacturers oppose Reciprocity. It is said to be because they are afraid of the future. If that were the case I would be very very sorry to believe it, and up to the present have refused to believe it. The manufacturers would make a great mistake if by their fear for the future they should refuse to favour something which is going to be a great benefit to the farmer. What benefits one class benefits all classes. The farmers have a just cause and are, therefore, twice armed. This is the cause of the farmers, and if the manufacturers oppose it to-day, they are preparing for themselves a rod which will some day fall across their own shoulders."

Back in Ottawa on Sept. 18th the Premier declared himself " sick and tired of this Annexation talk " and once more warned the industrial interests of the country. " The manufacturers must understand that there are men who are not as magnanimous as we are and forces will be aroused which it will be impossible for me to control. I repeat, and in no spirit of threatening, that the manufacturer is raising a power against himself in the time to come and must not be surprised if he is preparing a rod for his own back." A series of meetings in Montreal followed and closed the severest, most strenuous, and, apparently up to the very end, the most optimistic campaign of Sir Wilfrid Laurier's career. There is no doubt he knew the difficulties and did not under-rate the dangers of the contest but some unconquerable spirit of hope appeared to keep him ever-cheerful and smiling amid all the labours of the period. On Sept. 19th, after speaking at St. Clet on his way, the Premier arrived in Montreal, addressed a meeting on Atwater Ave., another at St. James' Market and one at the

corner of Ontario Avenue. With him were Hon. R. Lemieux and Hon. Jeremie Decarie of the Provincial Government and his speeches were made in both French and English. These open-air addresses were made, it was estimated, before 70,000 people. To the manufacturers who were opposing him Sir Wilfrid said at one of these demonstrations: "On Thursday I will beat them and on Friday I will continue to protect their just interests." On the following afternoon the Premier was addressing 10,000 people at Beauport and, later on, a similar crowd at St. Anne de Beaupre. The day of the Election he spent quietly in Quebec.

Mr. R. L. Borden's Speeches and Policy in the Campaign

Mr. Borden entered the campaign on Aug. 1st with a record of ten years Opposition Leadership, which had been marked by the ups and downs characteristic of such a position. With them, however, was an ever-growing measure of Parliamentary respect for his debating powers, for his personal courtesy and tactful conciliation of divergent opinions, for his knowledge of Parliamentary practice and principles, accompanied by a steadily-increasing feeling in the public mind that the Conservative party had in him a Leader of high character, proved ability, clear Canadian spirit and strong British loyalty. His first action following the Dissolution and the issue of a preliminary Manifesto, was to visit Montreal and Toronto and meet those who, in many and varied ways, were to share in the coming contest—its successes or its defeats. Then he issued, on Aug. 14th, the Address to the People of Canada which was to be the pivot of all Opposition arguments in the campaign. In this document he first claimed that Parliament had received no mandate from the public to deal with this issue, described the responsibilities, growing greatness, faith and courage, of Canadians, declared that this Agreement completely altered the status and conditions of national growth, and described the objections to it as "profound and abiding." He summarized them as follows:

> It (Reciprocity) interlocks our finance system with that of the United States, and fetters the power of Parliament to alter our tariff according to the just requirements of our people. Its duration is nominally within the control of either country, but actually within that of the United States alone. The conditions of its abrogation would involve so many delicate and difficult international considerations that the stronger party would eventually dictate the terms. Its tendency and aim are complete commercial union between the two countries, to the exclusion of the rest of the Empire.
>
> It opens to the United States our home market, which consumes 80 per cent. of our animal and agricultural product. It also has the effect of opening that same market to twelve foreign countries and to all the British Possessions, for which we obtain no reciprocal or compensating advantage. Sir Wilfrid Laurier is sending to these foreign nations a polite invitation to forego and renounce this right to enter our markets. The suggestion that they are likely to be thus considerate and unselfish is so foolish that it requires no answer.

It abandons the policy of improved trade relations with the British people, our best customers, and centres our hopes on the American people, our strongest competitors in the markets of the world. It makes an absurd pretence of bringing relief to the farmer by exposing him to the competition of the world in everything that he sells, and by continuing the existing burden of taxation on everything that he buys. It threatens the existence of our fishing bounties, and takes away our power to give such encouragement to any industry affected by the Agreement. It will destroy the distinctive character and reputation of our staple products, which will henceforth be merged in those of the United States, and will be known as American rather than Canadian products.

It exposes our natural resources to the depredations of the gigantic Trusts, which have already secured control of those of the United States. It will assist those Trusts to exercise an undue influence and pressure upon Provincial Governments for the purpose of forcing them to abandon the wise policy of conserving our natural resources and of converting them into finished commodities by the labour of our own people. It will give to American Trusts a power, an influence, and a control in this country equal to that which has been exercised so remorselessly and unsparingly in the United States. It will for the most part reduce the prices which our producers will receive for their output, while the control of the Trusts will prevent any reduction to the consumer.

It will discourage the higher and more progressive methods of agriculture by which the product of the farm is turned out in finished form, and the fertility of the soil maintained and preserved. It will encourage the export of our raw materials and unfinished products for manufacture abroad instead of at home. It will establish conditions and relations, from which it will be extremely difficult and even impossible to retreat except with the consent of the United States, or under terms dictated by her. And finally, it is at the best a rash and perilous experiment, inconsiderately and unwarrantably undertaken, in a period of unequalled development and prosperity, after Canada had long since outgrown the conditions under which such a policy was once thought desirable.

Mr. Borden then reviewed the contentions of the Prime Minister as expressed in his Manifesto. He absolutely denied that the Conservative party of to-day was pledged to support a restricted Reciprocity and quoted the Premier's own words to prove that the Liberals themselves had latterly abandoned any such idea. He claimed that the Government had made out no clear or useful or convincing case in favour of the Agreement or indicated its real operation upon the public welfare. He declared that there was no question as to the Annexation issue. "The Prime Minister endeavours to rebut the argument that the Reciprocity Treaty will lead to annexation. Whether it will do so or not no man can tell. But it is beyond the possibility of doubt that the leading public men of the United States, its press and the bulk of its people, believe that it will so result and support it mainly for that reason. I could fill pages with quotations in proof of this assertion if it were necessary. The plain fact is that in entering upon this treaty the people of the United States believe that they are accomplishing the first step towards annexation. My position is that we cannot safely ignore the pronounced views of the other party to the compact and that sooner or later we shall have to reckon with them."

After a brief reference to the Quebec Bridge fiasco and to Departmental scandals, something was said as to the Navy question: "Since the last General Election the Government has entered upon a new line of policy in regard to Naval affairs which is of far-reaching importance. The policy adopted was not debated before the people during that Election and it bears all the earmarks of a hasty and ill-considered scheme. In my judgment, our duty to the Empire cannot be properly or effectively fulfilled by such a measure. I hold that the plan of the Government contemplates the creation of a naval force that will be absolutely useless in time of war and therefore of no practical benefit to Canada or to the Empire. It will cost immense sums of money to build up, equip and maintain. It will probably result in time of war in the useless sacrifice of many valuable lives and it will not add an iota to the fighting strength of the Empire." The policy of the Conservative party was finally summed up as follows:

(1) A thorough re-organization of the method by which public expenditure is supervised. The increase in what is known as ordinary controllable expenditure from $21,500,000 in 1896 to nearly $74,000,000 in 1911 is proof of extravagance beyond any possible denial; (2) the granting of their natural resources to the Prairie Provinces; (3) the construction of the Hudson's Bay Railway and its operation by an independent Commission; (4) the control and operation by the State of the Terminal Elevators; (5) the necessary encouragement for establishing and carrying on the chilled-meat industry; (6) the establishment of a permanent Tariff Commission; (7) the granting of substantial assistance towards the improvement of our public highways; (8) the extension of free rural mail delivery; (9) the extension of Civil Service reform; (10) the granting of liberal assistance to the Provinces for the purpose of supplementing and extending the work of agricultural education and for the improvement of agriculture; (11) a course of policy and administration which will maintain independent and unimpaired the control of our own affairs by the Parliament of Canada; (12) a policy which, while affording no just cause of complaint to any foreign nation, will find its highest ideal in the autonomous development of Canada as a nation within the British Empire.

The Opposition Leader's speaking tour commenced at London on Aug. 16. After criticizing the Premier's utterances and quoting from speeches in 1899, 1901, 1903 and 1907 which seemed to indicate that in Sir W. Laurier's opinion Canada did not want and did not need Reciprocity Mr. Borden went on to review the progress of Canada since the 1866 Treaty was abrogated: "Why, then, after pursuing for forty years a path which has led us toward so splendid a goal; why should the Government of Canada seek an Agreement that brings us to the parting of the ways and that seeks to direct us to an untrodden path which may have seemed attractive forty years ago, but the dangers of which we see to-day with clearer vision? Has there been any mandate for this from the people of Canada? There has been none. Has there been any discussion of such a question upon the public hust-

ings? There has been none for twenty years. Is there any apparent abatement of our progress or have we lost confidence in our ability to develop the resources of our country and strengthen rather than weaken our connection with the British Empire?"

The speaker then pointed out that the Agreement involved free-trade in everything that the farmer produces and the maintenance of duties upon everything that he buys—a policy the exact opposite of Sir John Macdonald's conception and one that struck at the roots of Protection: "In the last analysis this Agreement means much more than appears on its face. It is idle to expect that the farmers of Canada will maintain protection for the advantage of other industries and submit to the competition of the world in all their own products. Those who advocate this compact, whether in the United States or Canada, look clearly forward to a complete reversal of Canada's past fiscal policy. This Agreement is said to be the thin edge of the wedge and there can be no doubt that this is the aim and intention. Unrestricted continental free trade is the goal." President Taft was quoted in this and all succeeding speeches and the competition of the 12 favoured-nations was described as most serious and dangerous to the farmer: "For purposes of competition the shores of Argentina and Denmark, and of Australia and New Zealand, almost touch the shores of Canada by reason of the relatively low cost of ocean transportation." He pictured the result of a possible change in United States' policy within a few years. Would all the money spent on the pioneer development of the British market be then recoverable or that market be found swept and garnished ready for Canadian re-occupation? It would be just the opposite, rivals would have had their innings while Canadian farmers were following the United States lure, and Canada would be thrown back a quarter of a century.

What about United States competition in Canada? "The United States will become the Clearing-house of the Continent and our products will cease to have distinctive Canadian status, character or reputation. In the days of the former Reciprocity Treaty our best Canadian butter went to Great Britain as American butter. The poorer quality was allowed to retain its Canadian title. Is it unlikely that the same course will be again pursued? Is it desirable that we should merge our production in that of the United States and become a mere commercial appanage of that great and powerful nation?" As to the price of wheat and barley local considerations would no longer prevail at Minneapolis and the sweep of the continent would be regulated by Liverpool; Minneapolis millers would, however, benefit greatly. In the matter of pulp-wood Mr. Borden was explicit: "Spurning any thought of aiding the Provincial Governments in their wise policy of conservation and development, the Federal Government com-

bines with a foreign Government to bring it to an end. If the United States succeed in thus coercing our Provinces Mr. Fielding proposes to reward them by removing the duty on pulp and paper imported from that country."

The Agreement would lessen the usefulness of the Transcontinental Railway by forcing Canadian trade *via* United States channels. As to the claim that Canada could withdraw from the Agreement when she wished Mr. Borden said: "If we attempt the experiment of linking arms with our gigantic neighbour he will have something to say about the unlinking. Already we hear the astonishing suggestion that as Congress has ratified this Agreement Canada dare not refuse to do it. Against the vested interests of hundreds of millions, against the tremendous power and influence of gigantic Trusts, in the face of the delicate and difficult international conditions created by the Treaty, and confronted with a threatened dislocation of business infinitely greater than that which brought our Government to its knees last year, Canada would be as capable of withdrawing, without consent, from this Agreement as the fly from the spider's web."

The following important reference to the Naval issue was then made: "The Government propose, at great expense, to construct a so-called Navy which will be absolutely useless as a fighting force. Upon the testimony of the leading members of the British Cabinet, expressed in their public utterances, we believed that the Empire was confronted by a grave emergency and we urged immediate and effective aid. . . . Responsibility for Empire Defence clearly involves some voice in Empire policy. Canada's permanent and effective co-operation in naval defence can only be accomplished by proposals which take account of this consideration and any such proposals should be submitted to the people for their approval." In conclusion the United States President was again quoted and answered: "I appeal to thoughtful and independent Liberals in this national crisis, at this parting of the ways. I appeal to them that this 'light and almost imperceptible tie' may be strengthened and not weakened. Whatever party name we bear, our hearts are in the cause of Canadian unity and British connection."

While this great meeting was in progress at London the Premier was opening his campaign at Simcoe. There on the 17th Mr. Borden—with him W. F. Maclean, M.P.—answered Sir Wilfrid at another demonstration. To the farmers he stated this point in connection with the 12-nations: "Argentina and Denmark are closer to the Maritime Provinces of Canada and to the ports of Quebec and Montreal than the towns of Western Ontario, so far as the cost of transportation is concerned. The cost of ocean carriage is relatively so low that their shores practically touch ours. In 1909 Argentina exported 460,000,000 pounds of beef at an average export price of 4 1-3 cents per pound and 140,-

000,000 pounds of mutton at an export price of 6½ cents per pound. The present duties are barely sufficient to keep out Danish butter, and the products of that country will flood Eastern Canada and will destroy the market for many of your products if this Treaty goes into effect." At Woodstock, on the 18th, assisted by Hon. G. E. Foster, the Opposition Leader said: "I deeply regret that the Liberal leaders have endeavoured to instil into the minds of the farmer the idea that the men in industrial life are his enemies. The man who teaches the farming classes that the man in industrial life is his enemy, that there is divergence of interest, is sowing seeds endangering the unity of the entire nation."

Mr. Borden was at Harriston on the 19th and Berlin on the 21st, speaking also at Durham and Guelph. Here (Guelph) he made the following statement: "They say that we are going to get relief from protection by this Agreement. I want to ask them how we are going to get such relief by interlocking our tariff with that of the United States, which has one of the highest tariffs in the world. They say we will get relief from Trusts by this Agreement. I do not see how we are going to get relief from Trusts by putting our market into the hands of the great Trusts of the United States." Owen Sound was visited on the 22nd and on the 23rd Mr. Borden was welcomed to Toronto by a great mass-meeting in Massey Hall. On the platform were Messrs. W. T. White, R. S. Gourlay, W. K. George and others of the "18 Liberals," in the chair was Mayor G. R. Geary, of the speakers were Mr. W. T. White and Hon. G. E. Foster and the Toronto candidates. To "the Eighteen" Mr. Borden paid tribute: "They are entitled to just recognition as men who have stood shoulder to shoulder with us in this fight to prevent a national disaster, as men who have cast aside strong party ties for the sake and in the cause of a United Canada and a United Empire." To the financial interests he inquired if they wished to put United States trade panics on the free list; to the people he spoke of great prosperity, progress and resources which must all be kept free of United States requirements and entanglements.

Mr. Borden was at Peterborough on the 24th and urged reciprocal trade arrangements with countries such as the West Indies. "Reciprocity within the Empire is good enough for us." As to United States friendship the speaker said: "Do you know what the United States did to Canada last year? Few Canadians do know. There is no use mincing words. They made us reduce our tariff and brought Canada to her knees. I believe that although the business interests of Canada supported the Government at first in this, it would have been better to have fought it out then and there." He quoted from a pamphlet issued by the Association of Minnesota Manufacturers urging the adoption by Congress of the Agreement: "Reciprocity will stop the leak of our manufacturers moving to Canada. Statistics show that more than

750 American manufacturers have moved up to Canada in the last ten years, and fully as many more will be apt to follow if we fail in this our present opportunity to stop the leak by agreeing to the Reciprocity Treaty." Hastings, Warkworth and Campbellford were visited on the 25th. At Napanee on Aug. 26th Mr. Borden made an extended Imperial reference:

> The Prime Minister by his speeches on the Naval question and by his recent utterances at the Imperial Conference maintains the position that Canada can be neutral when the rest of the Empire is involved in war. So long as Canada is part of the British Empire this country cannot be at peace when the rest of the Empire is at war. Our ships would be liable to attack on the high seas; our coasts would be subject to raid and invasion. The Prime Minister declares that Canada may be neutral when Britain is attacked. He must then equally maintain that Britain may be neutral when Canada is attacked. Such a conception involves the dismemberment of the Empire. This policy is entirely in accord with his proposal to surrender control of our fiscal independence to the United States.

On the 28th the Opposition Leader completed his Ontario tour by speaking at Smith's Falls and Brockville. At the latter place he referred to the riches of New Ontario. If returned to power the Conservative party would see that this section of the Province "receives its just and full share of attention and that its wonderful natural advantages are brought to the attention of the world in an effective manner and by efficient methods." On the 29th a great meeting was addressed by Mr. Borden at Montreal. Mr. A. J. Hodgson presided and other speakers were L. T. Marechal, K.C., C. H. Cahan, K.C., J. G. H. Bergeron, G. F. Johnston and C. J. Doherty, K.C. In his speech the Conservative Leader said that there were only three arguments adduced by the Premier in favour of the Agreement: "(1) We wanted Reciprocity in 1866. Perhaps, but this is 1911. Last century was the century of the United States. This is Canada's century. (2) Every statesman has striven for it constantly and earnestly. If that is true then Sir Wilfrid Laurier is no statesman because he himself has said that the best way to live in peace with our neighbours is to be independent of them. (3) We would have a market of 90,000,000 people. But these people export farm products to the extent of hundreds of millions. They are our competitors. Anyone who really believes that the farmer will get more for his produce while the consumer pays less is in need of a keeper."

One other sentence of this speech must be quoted: "Sir Wilfrid Laurier charges that we have called into question the loyalty of the Canadian people. We have never doubted the loyalty of the Canadian people. It is because we never had a doubt of their loyalty that we insisted that they be given a chance to vote upon this question." Following this came a quick tour of the Eastern Townships—Bedford and Granby on the 30th, Richmond and Sherbrooke on the 31st, Waterville, Cookshire, Scotstown and

Megantic on Sept. 1st. R. H. Pope, H. B. Ames, P. E. LeBlanc and L. T. Marechal were other speakers. At Cookshire Mr. Borden said that Sir W. Laurier had a splendid majority in the United States but that his majority in Canada was doubtful. The Maritime Provinces were the next scene of battle. Meanwhile, on Aug. 31, the Conservative Leader issued an Address to his old-time constituents in Halifax supporting railway extension through the eastern part of Nova Scotia as a part of the Intercolonial; promising Federal aid, if returned to power, for a system of permanent Provincial highways; pledging an extension to boat fishermen of the free medical aid and attendance now afforded to those employed on Canadian vessels in deep sea fishing. As to Halifax itself he said: "This Port should become the real terminus of one or more of the great railway systems. . . . It will be my aim and policy to accomplish this result." St. Andrew and St. Stephens, N.B., were visited on Sept. 2nd and Gagetown on the 4th (Labour Day) where Mr. Borden made this declaration: "Canada owes the United States two great debts of gratitude—(1) because they abrogated the Elgin Treaty and (2) because of the McKinley Bill. They drove us to find ourselves and we have made ourselves independent of the United States in trade as well as in political affairs. Now, the Liberals propose by this Agreement to reverse our whole history and surrender the independence we have won by the labour and sacrifice of forty years."

St. John accorded the Conservative Leader a great reception on the 5th with a procession, illuminations, crowded streets and two big meetings. In the matter of public expenditures Mr. Borden made a concise statement here. "I want to say that the Conservative Party believes in a liberal expenditure of the revenues of the Dominion for the development of our country, but we believe that every dollar ought to be expended in the interest of the people, and further that for every dollar expended the people ought to receive a dollar's value in return, and that no part of the public money ought to be used to advance the interests of any political party or to enrich any camp followers or hangers-on." Amongst the objects of proper expenditure were the national ports of Canada, and the party would not, if returned to power, curtail or restrict existing and authorized expenditures upon public works. In this address, also, Mr. Borden frankly admitted having obstructed the Agreement in Parliament. "We would have been untrue to our duty if we had not obstructed." Dr. J. W. Daniel, the Conservative candidate, dealt with the fate of Cuba as nominally free but as practically a dependency of the United States, and described Canada as now "the football of American politics."

Mr. Borden was at Sussex and Moncton, N.B., on Sept. 6th and at Summerside, P.E.I., on the 7th. Here he told the Islanders, as to the vital local question, that "it was the duty of the Gov-

ernment to ascertain by a survey whether a Tunnel is reasonably feasible and possible. When that is ascertained any Government must be guided by the conditions at the basis of Confederation. If the Tunnel is reasonably feasible it should be built. If it is not, you should have the best means of transportation that can be given you." Mr. Premier Hazen of New Brunswick was with the Opposition Leader on this Island visit. They were at Charlottetown on the 8th and from this place Mr. Borden sent a telegram to G. W. Fowler as follows: "Am convinced that interest of Intercolonial Railway demands acquisition of Branch line railways as feeders and we proposed to acquire them on reasonable terms if returned to power." Thence Mr. Borden crossed again to the Mainland and was at New Glasgow, N.S., on the 9th and at Sydney Mines on the 11th. Here one of the banners of welcome read "Canada for the Canadians; the British Empire our Safeguard." Upon a certain phase of the Navy question Mr. Borden made a comment for the benefit of this centre: "The Government at the present time is holding out to half a dozen cities the expectation of contracts for the construction of Canadian cruisers. In St. John, the Minister of Public Works whispers that they are to be constructed there. Mr. Lemieux quietly assures Quebec that the shipyards will be there. Mr. Templeman gives the same bland assurance at Victoria. The same tale is repeated at Halifax and Sydney." Naturally, also, he laid stress upon the Manufacturing-protective policy of his party. "Our policy should be to develop our natural resources and to convert them into finished commodities by the labour of our own people and to establish such conditions in this country as will insure a generous living wage to Canadian workmen. That result cannot be accomplished unless our industries are placed on a firm basis. The aim and tendency of this treaty is to place them on an exceedingly insecure and unstable basis."

Halifax was reached on Sept. 12th, and here, in his own constituency, Mr. Borden was given a rousing welcome. With him on the platform was Sir Charles Hibbert Tupper, who received a most cordial reception in this temporary return to politics and declared that, practically, the Liberal proposals were those of 1891, in fighting which Sir John Macdonald had gone to his grave. Mr. Borden referred to the Premier's "mill-race" statement and said: "You may watch the products of the West flowing eastwards to Canadian seaports; you may compare this flood of trade and commerce to a mighty river. Tap that river by channels running south at a hundred different points between the Rocky Mountains and Halifax, and how much of the rich stream of production and commerce will reach Halifax and St. John under these conditions?" He went on to claim that the Agreement would lose

the Canadian fishermen their home market which consumed 16 millions out of a production of 30 millions, would place the industry under the control of the United States Trust and would compel the removal of the bounties now granted by the Dominion Government.

Two meetings were addressed in Dartmouth on the 13th. Liverpool was the scene of rival demonstrations on Sept. 14th—one for Mr. Borden and the other for the Minister of Finance. The Liberals had sought a joint meeting here but local Conservatives had refused. To Mr. Fielding the Opposition Leader, on reaching the town, sent an invitation to meet him at Halifax in joint debate on Sept. 19th but this, also, was declined. Following this meeting were others at Kentville, Hantsport and Windsor and the Maritime tour closed on Monday the 18th at Musquodoboit, N.S. Returning thence to Halifax, where he spent the time preceding Election Day, on the 21st, Mr. Borden sent a despatch to the people of St. John stating (19th Sept.) that "the defeat of the Laurier Government will not retard, hinder or prevent in any way the construction of terminal facilities at St. John, or the equipment and development of that port as one of the Atlantic national ports of Canada." From here, also, he issued a final "Message to the People of Canada." He described the issue as the most momentous ever submitted to the electorate of Canada, the campaign as having been most encouraging, "the outlook full of hope." He reviewed the arguments which appeared to prove that this Agreement would, in the end, mean a commercial and fiscal union of Canada and the States, destroy the hope of Reciprocity within the Empire, indicate clearly the foresight of President Taft in his declarations and speeches, dissipate the abounding resources and heritage of Canada, increase threefold the power of the United States over Canada's destiny, and thus prevent any abrogation of the compact by Canadians:—

Above all do not forget that the momentous choice which you must make is for all time. If the tariffs of the two countries are interlocked by this treaty be assured that the stronger party always carries the key. I believe that we are in truth standing to-day at the parting of the ways. This compact, made in secret and without mandate, points indeed to a new path. We must decide whether the spirit of Canadianism or of Continentalism shall prevail on the northern half of this continent. To-day Canada is the mistress of her destiny. She commands both the Atlantic and the Pacific; she holds the highway of the world. Outside of the United Kingdom she is the most important unit of the whole British system which extends beyond every sea and throughout every continent and governs no less than one-fifth of the entire human race. With Canada's youthful vitality, her rapidly-increasing population, her marvelous material resources, her spirit of hopefulness and energy, she can place herself within a comparatively brief period in the highest position within this mighty Empire. This is the path from which we are to depart.

I do not believe that the spirit of the Canadian people will sanction such departure. The response that I have met in every Province fills me with the profoundest gratitude and the liveliest hope as to the result.

The same spirit animates Canada to-day as that which inspired the men who founded this Confederation. That spirit is one of faith in our country, our institutions, and ourselves. It is inspired by imperishable memories of a past full of splendid achievements; it is crowned by the highest and most confident hope of a future, the splendour of which we can only dimly realize. It dwells equally in the sons of British pioneers and loyalists and of Canadians of French descent to whose ancestors we owe a deep debt of gratitude for the loyal valour which preserved Canada to the British Crown. The sons of these valiant defenders of our soil profoundly realize that Britain's flag secures for them to-day rights and privileges which they justly hold most dear, but which will be endangered by the entangling alliance created by this compact.

This question is above all parties and above all individuals. I appeal to Liberals as to Conservatives and I speak to them not as a party leader, but as a Canadian citizen, whose hopes are bound up with the hopes of this country. To all who are proud of her past, to all who hope for her future, I make an earnest and sincere appeal to rise above all party ties, to take heed of the higher considerations, and to determine their course with a sense of the enduring results of their decision. I entreat them not to swerve from the straight path that leads to the making of a great nation; I beg them to cast a soberly considered and serious vote for the preservation of our heritage, for the maintenance of our commercial and political freedom, for the permanence of Canada as an autonomous nation within the British Empire.

Mr. Bourassa and the Quebec Nationalist Position

Both political parties were uncertain as to the influence which Mr. Bourassa and his followers might wield in the Elections; they were for a long time uncertain of the Reciprocity opinions of the Nationalist leader and his Conservative or Liberal followers. This independent organization had in 1910 won the sensational bye-election in Arthabasca for the Commons; it had lost the St. John's bye-election for the Provincial Legislature. Mr. Bourassa early in 1911 was in Europe and visited Rome, as did the Hon. Mr. Lemieux of the Dominion Government, and rumours were rife as to intervention by the Vatican in the curious medley of religious, racial, and political interests which were beginning to find divergent expression in Quebec. *Le Devoir,* the Nationalist organ, was striving to set the heather on fire against the Government's Naval scheme; Mr. F. D. Monk, K.C., M.P., who had not supported Mr. Borden's naval policy, was stumping Quebec with Mr. Bourassa and his allies against the Laurier Government. Into these complications Reciprocity was thrown as an element which eventually compelled Conservative opposition and seemed for a time to equally compel Nationalist support as being a check to Chamberlain's Preferential trade and to Imperialism. Elsewhere in Canada the question of what Nationalism meant, and what its leaders wanted, was largely discussed but with little clear knowledge of the conditions. In a general sense Mr. Bourassa was quoted by Mr. John Boyd—a capable Montreal observer and writer—in the *Canadian Magazine* of January as follows:

The Nationalist movement is what I call a search for a common ground for all Canadians and that common ground, I believe, can be found only in looking to the development of all our Canadian forces,

mental, moral and material. You cannot, for instance, get all Canadians to agree in their views as regards Great Britain, but you may get all Canadians to agree on the building up of Canada and the creation of a truly national sentiment throughout the Dominion. . . . There is nothing of racial, religious, or sectional character in the movement, as has been falsely represented. It is an appeal to all Canadians of good-will, whether they be French-speaking or English-speaking, to unite for the welfare of their common country. The movement is essentially Canadian. We want to put the issue perfectly straight—the largest measure of autonomy for Canada compatible with the maintenance of British connection.

In a pamphlet published at this time Mr. Olivar Asselin, a young leader in the Nationalist movement, gave a sort of official summary of its principles in these words: " (1) In Canada's relations with the Mother-country the greatest measure of autonomy consistent with the maintenance of the Colonial bond; (2) in Canada's internal relations the safe-guarding of Provincial autonomy on the one hand and the constitutional rights of minorities on the other hand; (3) the settlement of the country with a sole view to the strengthening of Canadian nationhood; (4) the adoption by both the Federal and Provincial Governments of provident economic and social laws, that the natural resources of the country may be a source of social contentment and political strength." Mr. Monk was the chief Conservative force in the movement and his policy was mainly one of antagonism to the Naval scheme on the ground (1) that it effected an important change in Canada's relations with the Empire without directly consulting the people; (2) that the construction of the proposed Fleet would not really help the Empire while it involved the principle of taxation without representation; (3) that the large sums involved would be better spent on necessary works of Canadian development such as railways, canals, etc.

Incidents in the early part of the year included an attack by *La Patrie* (Ind.-Lib.) on the Nationalists (Jan. 7) and a vigorous signed retort by M. Omer Heroux, Chief Editor of *Le Devoir*; a charge by *Le Vigie* of Quebec and *Le Pays* of Montreal that Liberal newspapers were prohibited in some of the Catholic Colleges of the Province and the Nationalist papers and principles encouraged; the active advocacy of Nationalist principles by *L'Action Sociale,* the able ecclesiastical organ in the City of Quebec; the declaration of *Le Canada* (Lib.) in Montreal, on Jan. 11, that " We have the assurance of the leaders of the Church that they are against this exploitation of religious sentiment in favour of any political coterie, that the Holy See absolutely condemns the reading of political newspapers in the Seminaries and that, in a word, the Church by its doctrine has always placed itself above political passions;* the declaration by Mr. Bourassa on his return from Europe, in a signed article—*Le Devoir,* Jan. 23rd—that

* NOTE.—Translation in a despatch, Toronto *Star*, Jan. 12th.

the Liberal party was trying to draw the Church and Colleges into the Naval controversy and that the Government had sent Mr. Lemieux to Rome for that purpose; a denunciation of Earl Grey by Mr. Bourassa in the same paper on the 24th as supporting the Navy scheme on account of its Imperial aspect and as part of a propaganda in which the Centenary celebrations and the Governor-General's personal influence with prelates and politicians, were other factors.

At a Nationalist dinner in Montreal on Jan. 29th addresses were delivered by H. Bourassa, M.L.A., F. D. Monk, M.P., J. M. Tellier, M.L.A., the Provincial Conservative leader, and John Boyd of the Montreal *Gazette*. Mr. Monk's speech was not against the principle of Reciprocity as presented to Parliament on the 26th but it was denunciatory of certain details and, two days later, Mr. Bourassa in *Le Devoir* said: "What remains established I think is, that the Agreement forms a very ample measure of reciprocity of which the total effect can only be to stimulate agricultural production and so benefit the great majority of the Canadian people, and that advantage does not seem to me to have been gained at the expense of Canadian industries." In a Quebec interview—Montreal *Herald* of Feb. 17—he added: "I have not taken a strong position for either side. I am inclined to favour the Treaty because it forms a strong obstacle to the Imperialistic scheme; I mean by this the Imperial trade preference scheme of Chamberlain."

In March Mr. Bourassa re-published in pamphlet form a number of his articles from *Le Devoir*. As to Reciprocity the following paragraphs were important: "On the whole, considering only the intrinsic value of the Agreement, it appears to be conducive enough to the general interest of Canada to deserve the favourable attention of Parliament and of the independent press. Without threatening our industries it seems to offer substantial advantages to agriculture in all Provinces . . . To sum up, a measure of Reciprocity, both broad and prudent, between Canada and the United States, is natural; it is in conformity with the political traditions and the economical needs of Canada. Kept within proper limits it affords great advantage to our agriculture and to all the industries derived from the exploitation of natural resources, without threatening our commercial independence, our political autonomy, or our attachment to the Empire."

During May the Nationalists, Conservatives, and Liberals opened a vigorous campaign in Quebec. The situation may be appreciated in view of the arrangement of 250 Liberal meetings, alone, for a period of seven weeks. The first important meeting was a Nationalist one in Montreal on May 31st. About 6,000 persons were present and the chief speakers were L. O. Taillon, K.C., F. D. Monk, M.P., H. Bourassa, M.L.A., and A. Lavergne, M.L.A. Mr. Monk, as being for several years the recognized Con-

servative Leader in Quebec—with a certain brief exception—was presented with an Address signed by thousands of electors approving his attitude in Parliament toward the issues of the day. Mr. Taillon declared that Sir Wilfrid Laurier had refused to stand by his own people in giving a British Preference without any return, in his school policy in Alberta and Saskatchewan, in his Manitoba School arrangement. Reciprocity was intended to cover up his new mistake in the Navy policy.

Mr. Monk repeated his views as to Reciprocity: "We must have certain commercial relations with our neighbours. I will not even go so far as to say that our relations might not be improved. If we are to have friendly relations at all we must try to improve them." But for any large policy there must be a popular mandate, wise, cautious, informed and public negotiations. It was "idiotic politics" to give something for what we would shortly receive from the Democrats without compensation. Both the Navy policy and that of Reciprocity should have been submitted to the people. On all the other great public questions—immigration, banking reform and conservation—there was, he declared, perfect harmony between him and those on the platform. Mr. Lavergne was more emphatic in his denunciation of the Premier. He had "sacrificed the principle of Autonomy" in the South African war; he had "sacrificed the rights of French-Canadians in the West"; he had "shamefully betrayed his trust" in the Manitoba School affair. The speaker declared that French-Canadian migration to the West was discouraged by the Government, that French immigration to the country was discouraged by the Interior Department, and that the Church Army and Salvation Army "subsidized by the Government, could bring out invalids, imbeciles and criminals" but not Frenchmen.*

Mr. Bourassa expressed himself concisely on the Reciprocity question. "My ideas on Reciprocity are well known. I am not opposed to reciprocity in principle. I do not believe that it marks the commencement of a golden age, and I do not believe that it means the end of the world. But I will not approve of the motives of Sir Wilfrid Laurier in digging a big ditch to hide the nefarious policy of his Naval bill, and I will not fall into this ditch which he has dug." Sir Wilfrid Laurier was, he declared, playing into the hands of President Taft by giving him free food imports and into the hands of Mr. Asquith by hurting the British Preferential traders. He denounced alleged Government corruption and demanded consultation of the people before the questions of Navy and Reciprocity were settled. The former was a policy of folly, crime, and treason. Each Colony should have a Navy for the protection of its own coasts. "Canada should do this and no more." He concluded by saying that the Nationalists were free. "They

* NOTE.—Montreal *Star* report, June 1, 1911.

will support candidates defending the rights of Canada against anybody who would sacrifice the autonomy of the country to either the Americans or the British."

As the fight proceeded the Nationalists took the ground that Reciprocity was a secondary issue, a herring on the trail, and that the Naval question—the preservation of Canadian autonomy —was the paramount issue. It does not appear that either the Conservative or Nationalist candidates demanded a Referendum on these questions. They did frequently assert that the people should be consulted but, presumably, that might more naturally mean a general election than the other method. At Joliette, on June 12, Mr. Bourassa again denounced the Premier, as on many other occasions in the next few months, for trying to make the people forget his treason in the Navy matter by offering them Reciprocity. "The Naval law is bad because it can drag our country into wars to which she ought to be an entire stranger. It is desired to set up the principle that Canada should be obliged to aid England in all her wars, but I reject that principle." He asked for 25 men at Ottawa after the next Elections who should be independent of party and patronage. If this were done, before five years had passed "the nefarious Naval law will be repealed or so amended that it will threaten no danger at all to our country's autonomy." The English-Canadians as well as the French were, he believed, opposed to the Navy plan. As to the Premier's position in this connection he was explicit: "If war were declared Canada would be compelled to take part in it, but it would not be the blood of Sir Wilfrid Laurier or that of his children which would pay the penalty of this resolution. It would be your blood and that of your children. And yet at the same time Sir Wilfrid Laurier, in the name of Canada, refuses to have his say in the conclusion and the decision of treaties." Mr. Jean Prevost concluded a fiery speech with the words: "Long live Canadian Autonomy and anti-Imperialism."

At Nicolet, on June 15, the Navy was the subject of much denunciation by F. D. Monk, M.P., Albert Sevigny, W. Bruno Nantel, M.P., Dr. Paquet, M.P., A. Lavergne and A. Gilbert, M.P. —all but the two latter Conservatives. Strong speeches were made by Messrs. Sevigny and Gilbert. Canada, said the former, must refuse to be bled by the militarism of the Old World and must spend her money on developing her own resources. Sir W. Laurier had "betrayed his race and his creed." His Naval policy was estimated to cost $15,000,000 and that of Mr. Borden $25,-000,000. Mr. Monk was described as opposing both the Navy and a cash Imperial contribution. In his speech (according to the Montreal *Star*) Mr. Monk stated that "Canada has no need for a Navy and what Navy she has is no good. Our national income should be used in building the Georgian Bay Canal and other public works." Mr. Lavergne declared that the Premier had

"betrayed his country into paying to England a tribute of bone and flesh." At Sorel, on June 17, Mr. P. E. Blondin, M.P. (Cons.), denounced Government corruption and wanted in all things "a purely Canadian policy." Mr. Bourassa's speech was notable for its argument against any contribution to the British Army or Navy. This principle had, he claimed, been upheld by the McNab-Taché Administration in regard to the Crimean War and by the Sicotte-Sandfield Macdonald Government as to voting money to maintain British troops then in Canada; it had been first admitted and then repudiated by Sir Wilfrid Laurier in 1900.

At a St. Jean Baptiste banquet in Montreal on June 24 Mr. Olivar Asselin deplored the fact that immigration in the West, and even in Quebec, was decreasing French-Canadian influence. "In the repartition of electoral districts Montreal will increase in members and the rural districts will decrease. Montreal will have a million people in ten years with ten or even twenty Members. They will not be French and French representation will decrease. Montreal is destined to become an English city. Thus the proportions in Quebec will alter. The representation of French-Canadians at Ottawa is also decreasing. We had not foreign capital to meet a few years ago but now English money is pouring into the country and we are losing our superiority." He urged that French-Canadians who possessed millions should put some of their money in French-Canadian Banks and that the 12,000 Italians in the country should be taught French. The knowledge of two languages gave French-Canadians a superiority at present which they should try to maintain. At Papineauville, on July 1st, Mr. Bourassa made this reference to Naval enrolment and a future British Naval war: "A premium is offered to the postmasters throughout the country—what for? For the heads of wolves. Oh no! the premium is one of two dollars for every man enrolled in the Canadian navy to be massacred in the service of England."* In *Le Devoir* of July 13 an editorial signed by Mr. Bourassa dealt with what he described as the "infamous" South African war and made reference to that extraordinarily humane British campaign as follows: "English and African soldiers fell on the veldt for the glory of Chamberlain; women died of shame and misery for the grandeur of Laurier; children's entrails were cut out in the Concentration camps for the honour of the Empire."†

To a meeting at Terrebonne on July 29—addressed, as were many of the others, by W. B. Nantel, M.P. (Cons.-Nat.), and Jean Prevost, M.L.A. (Lib.-Nat.)—Dr. Eugene Paquet, M.P. (Cons.), said: "I accuse our Ministers with having made arrangements with Great Britain suicidal to our political autonomy. I accuse them of burdening our Exchequer with expenses that the country

* NOTE.—Lengthy report in Montreal *Star*, July 3, 1911.

† NOTE.—Translation in *Star* of July 15th.

will be unable to shoulder. I accuse them of piloting us into the abyss of Imperialism. The cost of our fleet will eventually be tremendous. England spent $48,000,000 for her Navy in 1896, while in 1911 $220,000,000 was England's Naval budget. The United States' Navy cost $55,000,000 in 1900 and $133,000,000 in 1911. Such will be the case in our Dominion. Staggering under the burden of accumulating expenses our beautiful country will eventually be placed in a state of bankruptcy." At these gatherings, it may be added, Mr. Nantel usually devoted himself to a denunciation of Reciprocity. Speaking at Fraserville (July 23) Mr. Bourassa said: "The Empire has grown so great that England is not able herself to provide sufficient men to protect it. Therefore the Colonies are called upon to supply the men. . . . These men are liable to be sent abroad to be massacred for the glory of Laurier and Lemieux."

Following the Dissolution the Nationalists and Conservatives organized a still more active campaign. Mr. Bourassa spoke at St. Hyacinthe and Terrebonne on July 29th and at St. Denis on the 30th (Sunday). At the St. Hyacinthe meeting he described the Canadian Navy as "paid for by your money and by your sons with their blood." He argued at length and with accuracy, that Canadian ships flying the White Ensign would as a matter of course be subject to attack by any enemy of Great Britain. He was not opposed to Reciprocity but the Naval question was the first and great issue. Although offered the nomination in Labelle Mr. Bourassa, at this time, stated that he would not be a candidate but would "fight in the columns of my newspaper and on the platform, as a simple soldier in the army which is being recruited in encouraging numbers under the banner of Mr. Monk." On Aug. 2nd the Nationalist Leader published in *Le Devoir* a long signed article which was practically his Manifesto and which, according to *The Herald* translation, expressed dissatisfaction with Mr. Borden for not denouncing the scandals of the Laurier regime and for making "no declaration on the Naval Act, on the Imperial problem, or on any other political question except Reciprocity." The Government was fiercely denounced for corruption, mal-administration and scandal, for the Farmer's Bank matter, and the administration of the Militia and Public Works Departments:

> Of all the questions that the Premier and the Opposition Leader seem desirous of snatching from the judgment of the people the most important, without doubt, is that collection of problems grouped together under the name of Imperialist. In these circumstances the right line of conduct to follow is plainly marked—bring out independent candidates—Nationalists, Liberals or Conservatives, supporters of Reciprocity or those who are opposed to it, men of honour and men of their word who will rally round Mr. Monk to maintain in Parliament and in the face of whatever Government, the principles of autonomy laid down by the member for Jacques Cartier during the past year—men whose ideals are healthy and whose determination is firm, for they will have to settle the vital

problems of the nation, which are Canadian autonomy, the preservation of national unity and the rights of the minorities.

At Three Rivers on Aug. 6th Mr. F. D. Monk announced his Electoral platform. He explained his course on the Naval question and strongly denounced the alleged campaign of slander and falsehood which had represented him and those who were acting with him as hostile to England, and as aiming to found a rebellious party on racial and religious prejudices. He also denounced the alleged administrative sins of the Government and its general neglect of the people's interests and claimed that the Government, in order to divert public attention and assuage the general discontent, was endeavouring to make Reciprocity the sole issue in the campaign. The Nationalist policy included (1) equal rights for all and, in particular, full recognition of the rights of the minority; (2) a better system of immigration and of control over the incoming population; (3) a more practical transportation policy with the Georgian Bay Canal in the first place; (4) more encouragement to the agricultural and labouring classes through the co-operative principle; (5) reform of the Banking system so as to give better protection to the deposits and savings of the people. Mr. Bourassa, in following, declared Mr. Borden's policy to be quite as Imperialistic as that of the Prime Minister. But the Premier was chiefly responsible. "It is his Imperialism which results in the enrolment of your sons—yours, mothers and fathers —in the Navy which is liable to take part in the Empire's far distant wars: this Imperialism of Laurier and Borden, neither of whom has sons of his own to enlist."

In offering Mr. Monk his re-nomination in Jacques Cartier an Address was presented alluding to him as the chief of the French race in Canada, the champion of its rights and privileges and the successor, in upholding national ideals, of Cartier and Chapleau. The Toronto *Star* of Aug. 12 contained a long interview with Mr. Bourassa in which the latter declared India the centre and pivot of Imperialism and the greatest difficulty in the way; claimed the attitude of both political parties as unfair to French-Canadians and the latter to be loyal to Canada—even against France; alleged that he did not attack the Premier's Imperial policy but only his lack of policy. As to this the Nationalist chieftain found an able defender in Mr. C. H. Cahan, K.C., a well-known Montreal financier. To him Mr. Bourassa was not anti-British; he simply saw more clearly than English-Canadians the Colonial, dependent, restricted condition of Canada. In *The Herald* of Aug. 13th he wrote:

If we are entirely frank with ourselves must we not admit that there was great weight in the contentions of Mr. Monk and Mr. Bourassa that the question of Imperial naval and military defence is inextricably involved in the ultimate solution of the more comprehensive problems of Canadian autonomy, of the political relations between Canada and

other Dominions of the King, of contribution for purposes beyond Canadian control, of taxation for Imperial projects without representation in Imperial affairs. Mr. Bourassa is only slightly in advance of Canadian public opinion when he demands that our military and naval contributions, if any, shall be dealt with as a part of a comprehensive national policy which shall conserve Canadian autonomy in all its essential features, which shall more intelligently and more frankly determine our political relations with the others of the King's Dominions, and shall first be accepted by the votes of the Canadian electors after full and free discussion of the means best adopted to conserve and protect the highest and best interests of Canada.

At St. Hyacinthe on Aug. 13th Mr. Bourassa and the Hon. Mr. Lemieux met in joint debate, after many interchanges of what could hardly be styled courtesies, at their various meetings of the preceding two months. According to an identical despatch in such Liberal papers as the Ottawa *Free Press* and the Toronto *Star* it was a Nationalist success. "Fifteen thousand shouting people, at times beside themselves with excitement, and on the verge of breaking out into a free fight saw a Liberal meeting, called for the purpose of advocating the Liberal cause, turned into a Nationalist anti-naval demonstration. There is no use in beating about the bush, Henri Bourassa was the hero of the day. He had the sympathy of the crowd. Bourassa was able to prove that he is able to make the Naval question the feature of any meeting at which he is present and, what is more to the point, to be able to hold it so. The meeting simply goes to show that the Nationalist propaganda has become dangerous to the Liberal cause in Quebec, and there was ample proof at the meeting itself that the Conservatives will not be able to refrain from using Bourassa and his followers just as much as they will allow themselves to be used, no matter how much the principles of the two parties may differ."

Three of the speakers—Bourassa, Lemieux and Lavergne—were strenuous, sarcastic, bitter, or forcible, as the case might be. Dr. Béland, the new Postmaster-General, was able by a clever speech to in some degree bring the crowd back from the effects of Mr. Bourassa's oratory. There were many personalities and Mr. Lemieux charged the Nationalist chief with having sought from the Laurier Government at different times the post of Canadian Commissioner at Paris, the Postmastership of Montreal and the Deputy Speakership of the House of Commons. The two first statements Mr. Bourassa entirely denied; the last he admitted. He once more declared himself favourable to Reciprocity but opposed to the Government's hasty negotiation and action. This meeting was an encouragement to Conservatives everywhere; they argued that when both sides got angry it showed both votes and public opinion to be really in doubt.

On Aug. 18th Mr. Bourassa made, at Lachine, what the Toronto *News* correspondent described as a defence of Nationalism notable for "sheer brilliance of thought, power of argument, and ease of expression." Mr. Bourassa on this occasion was

explicit as to his policy of isolation. "We think that the best way for Canada to help the Empire is by building our own house on the best foundation possible, by keeping the whole money of Canada in Canada for our development, by equipping our frontiers and ports so well that the British Admiralty can depend upon us. This policy I hold is better than making a direct contribution of money to the navy or by buying a few tinpot ships discarded by the Lords of the Admiralty." He gave rather a new view of Reciprocity in declaring that the English Liberal Government had forced it upon Canada in order to hurt the Tariff Reformers. Mr. Monk claimed that all he wanted was to have an expression of opinion on the Navy issue. "We have spent $70,000,000 on our Militia since the Laurier Government came into power and General French says that our Militia is obsolete and useless. Would it not be better to rectify these mistakes than to spend as much more for a Navy—for that much must be spent before a Navy which could be utilized could be built." In *Le Devoir* on Aug. 19th Mr. Bourassa, over his own signature, bitterly denounced any Imperialism which would support English wars in men or money:

> To gain their ends Imperialists of the big school, disciples of Chamberlain, are prepared to pay the price. In order to obtain from the Colonies substantial and permanent military contributions they offer them the advantages of an Imperial Customs tariff and a part in the Government of the Empire. The Imperialist Liberals, less daring, but with more guile, take a middle course. They prefer to leave to the Colonies all the appearance of authority over their fleets and their armies 'in time of peace'— counting on circumstances, on pride, on the solidarity of the Anglo-Saxon race, and on the weakness of the over-seas politicians, to obtain or to seize, the co-operation of the Colonial forces 'in time of war.'

Speaking at Lachine, again, on Aug. 26th Mr. Monk declared that he was not Mr. Bourassa's leader or *vice versa* and had been brought up a strong Conservative. At St. Julienne, on the same day, Mr. Bourassa stated that he had been a Liberal for 15 years and that the party had changed—not he. At this time and as the campaign neared its close Mr. Bourassa's speeches became more clearly opposed to Reciprocity. At St. André Avillon on Sept. 3 he declared that the scheme emanated from the United States in order to lower the cost of living and would ruin the Canadian market in years of poor Canadian crops and good United States ones. Here his argument for the first time was an open advocacy of neutrality in time of British war. "The Government wants to protect our commerce. Under international rules laid down at the Treaty of Paris the leading Powers have agreed that in time of war, the trade of the countries engaged should be allowed to fly a neutral flag and not be molested. In the Spanish-American war Spain's merchant marine sailed under French colours. Since Canada has become a British Colony Great Britain has been engaged in several wars. Have we ever lost a single tub of butter or a head

of cattle?"* At Buckingham, on the following day, Mr. Bourassa asked, if Reciprocity became a fact and 90 per-cent. of Canadian trade went to the United States, what was the use of a navy? "Is it to protect Canadian products travelling on United States railways to United States centres?" As to the rest: "Our duty towards England is accomplished when we have defended our own territory." These meetings were, many of them, stormy and the speeches bitter. At a particularly tempestuous one in Ste. Rose on Sept. 6 Mr. Bourassa showed signs of intense personal weariness. Here he reiterated his new view of commercial neutrality in war time—Montreal *Herald* report—and also his policy of purely local defence. "We are loyal to the British Crown and will defend the Empire in Canada with the last drop of our blood, but we are free and independent and no one—not Laurier or even His Majesty—has the right to ask us to go beyond our shores."

A Nationalist meeting at St. Jerome on Aug. 31 was notable for the declaration by André Fauteaux, candidate for Two Mountains—Montreal *Star* report—that "we owe England nothing," and for Jean Prevost's bitter denunciation of the Naval scheme followed by the personal waving of a Tri-colour in some moment of enthusiasm. On Sept. 7th the Conservatives held a mass-meeting in Montreal addressed by G. F. Johnston, a local candidate, P. E. Leblanc, K.C., T. Chase Casgrain, K.C., and L. T. Marechal, K.C. On the next day the Nationalists held a similar meeting with addresses by Mr. Bourassa, C. H. Cahan, K.C., John Boyd of the Montreal *Gazette,* Olivar Asselin and Jean Prevost. Speaking at Laprairie on the 9th Mr. Bourassa denounced the Navy with renewed vigour: "Mr. Fielding has said that if England is at war Canada is at war. Thus the Navy will be Canadian only in times of peace—Canadian to get our money, Canadian to throw our sons in the cannon's mouth—to become in the time of war a part and parcel of the Imperial Navy." According to a translation in *The Globe* the following appeared on Sept. 7th in a French independent Weekly of Chicoutimi called *Le Travailleur:* "It is a fine thing to shed one's blood for one's country, but it is unbecoming to enlist as the hireling of an Empire. Under the Laurier law our soldiers will be only hirelings of the English Admiralty, which will send them to wage war on the shores of Africa and Asia, according to its own humour, at 50 cents a day." Writing to the Montreal *Herald* on Sept. 15th Mr. C. H. Cahan again explained his co-operation with Mr. Bourassa as (1) because the latter was not in favour of Reciprocity; (2) because he would wipe out public thievery and Federal corruption and (3) because "I accept the principle first propounded by him and accepted by Mr. Borden and the Conservative party, generally, that any permanent scheme of Naval defence must be developed by a full and

* Note.—Montreal *Star* report, Sept. 4th.

frank discussion and a satisfactory re-adjustment of the political relations existing between the Colonies and Great Britain which must first be submitted for the decision of the people of Canada." In the Montreal press of the 16th Mr. F. D. Monk published his personal platform as follows:

> Respect of the Federal Act of 1867 as regards the protection of all minorities in order to ensure contentment amongst all classes; a policy of Protection which will ensure the full development of Canadian resources; our raw material for the manufacture of paper and anything else to be kept in Canada and used by Canadian labour; complete reform of the emigration system; careful selection and abolition of the bonusing system; electoral reform and gradual introduction of proportional representation; consultation of the people of Canada upon the Government's Naval scheme; rejection of the Taft-Fielding Reciprocity Agreement as opposed to the real interests of Canada and specially hurtful to the City and Island of Montreal; improvement of our banking laws so as to secure better protection of depositors and small shareholders; improvement of methods in the Department of Agriculture so as to bring that Department up to modern requirements; co-operative legislation for the labouring and agricultural classes; immediate application of the suggestions made by the Transportation Commission of 1903; construction of the Georgian Bay Canal and Montreal to be made a National and free port.

On Sept. 16 *Le Devoir* reviewed the situation, declared that three-fourths of the Opposition candidates in Quebec had accepted Nationalism while Messrs. Pickel and Davidson in the Eastern Townships, and Gordon and Smyth in Ontario, had promised to support the repeal of the Navy Act. Nationalists had no sympathy with a Navy law made in London or a Customs law made in Washington. At Actonvale on the 16th, and Victoriaville on the 17th, Mr. Bourassa reiterated his view that the Navy was useless (1) because an Arbitration Treaty had been negotiated with the United States and (2) because an international arrangement was under way to protect agricultural shipments in time of war. Despite this, however, his usual appeal was repeated at the latter place: "Mothers, you have a right to see that no Government be permitted to pass laws destined for the death of those children whom you have brought forth for your country." At Sudbury, on the 18th, Mr. Bourassa received an Ontario Conservative welcome and made a remarkable address. The chair was occupied by the President of the local Conservative Association and the guest commenced with a vigorous denunciation of the Lanctot scandal and of Mr. Oliver, the Minister of the Interior.

Reciprocity had been "conceived to hide Drummond-Arthabaska"; the Nationalists had opposed the South African war for the same reasons that British Liberals had done so; neither the Laurier nor Borden Naval policy was acceptable to Nationalists; the latter stood for independence of thought and action and local autonomy. "I say that no Government, whether Tory or Liberal, whether headed by an Englishman or a Frenchman, has the right

to come to us and plunge us into a war beyond Canada's border altogether, until Canadian people in Canada have the same voice in the declaration of such wars as have the people of Great Britain." On the following night Mr. Bourassa addressed 12,000 people in Montreal and made the claim that Mr. Fielding would be Sir Wilfrid Laurier's successor and that he was not a safe guardian of Canada's autonomy. On the 20th he was at St. Hyacinthe but a hostile crowd prevented the meeting, threw missiles, and even threatened to kill him. The Nationalist contest terminated with some 28 candidates under that designation, or as Conservatives having Nationalist support, in the field and with strong hopes of victory.

The Quebec Liberal Campaign and Point of View in Quebec

In preceding Elections—notably 1904 and 1908—the glamour of Sir Wilfrid Laurier's name, eloquence, and personal *prestige* had been the chief force on the Liberal side in Quebec. Associated with this condition was the natural desire of the elector to be on the winning side and especially when that side was supposed to embody certain natural predilections of a racial and religious character. In this Election everything was different from the start. The prolonged and bitter denunciation of the Prime Minister by eloquent French-Canadians such as Bourassa, Lavergne, and Prevost, the obvious unpopularity of the Naval law as shown by the Drummond-Arthabaska bye-election, the continuous and clever writings of journalists like Asselin and Heroux in *Le Nationaliste* or *Le Devoir,* the lack of inspiration in the Reciprocity idea to the average *habitant,* all combined to give Sir Wilfrid Laurier and his lieutenants a sometimes mixed or cool reception at their meetings and to make the Opposition for the first time since 1896 feel that they had a fighting chance.

As with the Nationalists the fight of the Liberals began early in the year. The Hon. Rodolphe Lemieux, Postmaster-General and then Minister of Marine and Fisheries, was the most vigorous contestant for the Government with the Hon. Sydney A. Fisher, Minister of Agriculture, in the front of the English line. Speaking at Farnham, on May 27th, Mr. Lemieux declared the Nationalist party to be one of "hatred, envy and jealousy" and this view he maintained in many speeches. Both speakers made Reciprocity the great issue and everywhere relegated, or tried to relegate, the Navy to the background. At the above meeting, also, Mr. Fisher intimated that an Election was near, promised closure in the next Parliament, and strongly warned the manufacturers: "If the manufacturers are going to set themselves up and say that the farmers shall not have the right to make the best of their conditions, they are going to arouse an antagonism in this country that will drive them to the ground, and break them, because the few cannot rule the many in Canada." At L'Assumption, on June 7th, Mr. Lemieux said: "We are in Confederation; we wish to

live under the British flag; and it is not the fine gestures, alone, of Mr. Bourassa that will persuade us to go outside. The Liberals of Quebec will not tolerate it that the tricksters and degenerates of the Nationalist party should discrown or overthrow the greatest genius ever born in the Province of Quebec—Sir Wilfrid Laurier."

Speaking at St. Vincent De Paul (June 11) the Postmaster-General declared that the Georgian Bay Canal would soon be commenced as a Government work and, when completed, would make Montreal the New York of Canada. At St. Scholastique, Sherbrooke, Joliette, Laprairie, and St. Constant, Mr. Lemieux continued this series of Liberal meetings. At St. Constant (June 18) he made a ringing British speech: "We are now a part of the great British Empire and although the King, who is to be crowned this week, is a Protestant King, he is the Defender of the Faith and under his reign we can be assured of the liberty of our own faith and language. Between Quebec of to-day and modern France there is an abyss which can never be crossed. We want the grand old flag of the British Empire to continue to wave over our schools, public buildings, churches, and moreover, we want the spirit which the flag represents deep down in our hearts." Incidentally he described Mr. Bourassa as a "tool of disappointed ambitions."

At Nicolet, on the 20th, he strongly urged Reciprocity as a policy which would enable the farmers to send their eggs, butter, cheese, horses, cream, cattle, hay, etc., to the teeming industrial centres of New England. At Louiseville, on the 24th, he made a charge which was repeated afterwards through the length and breadth of the Province: "In 1905 Mr. Bourassa asked the Government for the French Commissionership at Paris; in 1908 he asked for the office of Postmaster of Montreal; and in the same year he asked me, himself, to act as an intermediary with Sir Wilfrid Laurier to obtain for him the position of Deputy Speaker of the House of Commons. For the first he would have been insulted with a salary of $5,000 a year; the second carried with it a salary of $4,000; while for the third he would have been obliged to soil his aristocratic hands annually with $5,000." Here, also, Mr. Lemieux proclaimed, with spirit, that the welfare of French-Canadians depended on "the Naval supremacy of England."

This strain of British loyalty was notable in the Liberal speeches at Actonvale on June 27. "Who will be so hard-hearted among the French-Canadians," Mr. Lemieux asked, "as not to defend the flag if Great Britain is ever threatened? You will not see the record under the sun of a people, so weak after their defeat by the English, being treated with such generosity as has been extended to the French-Canadians." Mr. J. E. Marcile, M.P., was equally earnest: "We want to aid the Mother Country

if she needs it, and I may say right here that it is my frank and honest opinion that if there is a part of the Dominion that should help to maintain the unity and strength of the British Empire it is the French-Canadian people. At the St. Jean Baptiste dinner in Montreal they sang of the glory of the French race, of the French language, and of the Catholic religion. If we have the right to do this whom have we to thank if it is not England which has protected us?" Mr. J. H. O. Gladu, M.P., was also explicit: "I am of French origin and a Catholic but you will not prevent me from believing and from saying that gratitude and justice should prompt us to do our duty by England. Let me recall the words of Mgr. Plessis who said: 'It is to our allegiance to England that we owe the French-Canadian race.'"

At Plessisville on July 1st Mr. Lemieux handled his chief adversary without gloves. Mr. Bourassa did not represent French-Canadian opinion as to the South African war, his acceptance of a salary from *Le Devoir* was enough to smirch his reputation, the French-Canadians were not the enemies of England and in time of war they would stand by and fight for her. Reciprocity was the beginning of a great golden age for Quebec. Sir Wilfrid, in creating the Navy, had been guided by three principles: (1) It should protect our territory and our coasts; (2) It should protect our Canadian commerce; (3) It should mark the autonomy of Canada. At Ste. Flavie, on July 14th, Fraserville on the 17th, Marieville on the 23rd, and other places, Mr. Lemieux continued his campaign.

After Dissolution other Ministers took up the fight vigorously. On July 29, Hon. Jacques Bureau, Solicitor-General, denounced Mr. Borden's Navy policy as too Imperialistic but was clear as to Canada's duty: "Canadian territory will only be taken with the consent of Canadians. They have too much spirit not to defend their native soil. We are loyal to England which has given us privileges and which has protected and will protect Catholics and those of our race. Our interests are intimately associated with those of England." At St. Philippe, on Aug. 2nd, Hon. H. S. Béland declared the issue to be between "Laurier who wishes to aid the farmers and Borden who protects the manufacturers." Mr. Lemieux was supported by Mr. Béland in the rough meeting at St. Hyacinthe on Aug. 13 when the Bourassa-Lemieux conflict before the people reached a personal and dramatic height. One quotation only can be given here, from *The Herald*, of Mr. Lemieux's speech: "Mr. Bourassa has said that your children will be dragged from their homes to serve in this Navy and to die on foreign shores in the wars of the Empire whether just or unjust; he has repeated this lie at Three Rivers, Farnham, St. Hyacinthe and Joliette and I say—turning to the Nationalist leader seated behind him—that it is a lie, a falsehood,

and I defy him to cite one word in the Laurier measure that enforces conscription. He has only done this to influence the prejudices of his countrymen." A similarly stormy meeting took place at Ste. Julienne on Aug. 27 when D. A. Lafortune, K.C., the local Liberal candidate, met Mr. Bourassa in joint debate. So with a gathering at Campbell's Bay in Pontiac County, addressed on Aug. 29th by Hon. S. A. Fisher and Sir Allen Aylesworth. Local Liberal rivalries were the causes of trouble here, however.

Into the midst of this situation of hard fighting on both sides, hard hitting and many personalities, came Liberal pamphlets which devoted 50 pages to eulogy of Sir Wilfrid Laurier in life, character and policy, 8 pages to the study of Reciprocity, and 148 pages to a defence of the Navy. In the Reciprocity publication, according to a translation by J. E. Middleton of the Toronto *News* (Aug. 31) it was stated that one of the reasons for abrogation of the 1854 Treaty was Britain's attitude in the United States Civil War and this comment made: "In fine, as too often, Canada paid for the mistakes of England. And it is still for love of England that the Tories—and even Mr. Monk at Three Rivers—asked our farmers to deprive themselves of the advantages of trading with the United States. It is time Canadians looked after themselves." In the pamphlet devoted to the Premier he was praised for creating two Western Provinces with recognition of the rights of the French language and Catholic education in the schools; he was eulogized for his opposition to Imperial ideas at the Imperial Conference. "He rejected every attempt towards Federation, he proclaimed our naval and fiscal autonomy. And this was only the echo of his life-work."

Speaking in Montreal on Aug. 30 Mr. Lemieux was vigorous in his language: "The young Nationalist clergy who oppose the Navy, if they read the statutes, would say to maintain the British flag in Canada for to it they owe their liberty. I am a Catholic and I can say I am a Liberal and am proud of it. Lacordaire said: 'When I die I will be a penitent monk, but an impenitent Liberal.' And yet hot-headed, brainless and broken-down men go about the country saying we owe nothing to England, and we will not give them a Navy. Is the Canadian country the monopoly of English-speaking persons? Do we not belong to it? Have we not interest in conserving this land that our fathers fought for and died for?" In St. Mary's Division, of Montreal, Mr. Lemieux, now Minister of Marine and Fisheries in succession to Mr. Brodeur, delivered an energetic attack upon his opponents on Sept. 6th:

I say that we are interested as citizens of the Empire to defend the supremacy of Britain. I have found only one country in the world where French and Catholic rights are so fully respected, where the people can be legally taxed for tithes, where they can be taxed for the erection

of temples and presbyteries. It is the only country in the world where this exists. I ask all the demagogues and merchants of patriotism have they read their histories? If not they are criminals and should be arrested. We are isolated, we are in the minority. There are nine Provinces and eight of them English. If we want to follow the little flag of Bourassa the English Provinces will wait their hour. It will not be the Laurier Navy you will have, but backed by all the English and Protestant deputation, it will be the Borden Navy, which means to contribute 25 millions each year to England, like a vile band of slaves. The professors of Nationalism who preach anglophobia say the flag of the Sacred Heart should be that of the country. I incline before it in the procession of the Sacred Heart, but the flag which protects this country is the British flag, which stands for justice and tolerance.

On Sept. 11 *Le Devoir* published letters from George Gordon, Conservative candidate in Nipissing, and W. R. Smyth, Conservative candidate in East Algoma, dated Sept. 8th and promising to support a repeal of the Naval Bill and it pointed out that Nationalists were not alone in opposing this measure. *The Globe* of the 16th replied to this contention as follows: "Why do the Nationalists insist so strenuously upon the repeal of the Naval law? Because, as they assert daily from a hundred platforms in Quebec, the Naval law recognizes Canada's obligation to assist the Motherland in the event of war. The Nationalists are determined that Canada shall not take part in any defence of the Empire. They say they are willing to fight on Canadian soil but, in the most vehement language, they denounce Laurier's 'conscription' which, they falsely assert, would enable the British Admiralty to force them on board ships and send them abroad to fight Britain's battles." This was a good summary of the line taken by the English Liberal press in Quebec.

The Montreal *Herald* of Sept. 12, for instance, appealed to Messrs. C. H. Cahan and H. B. Ames to give up an "unholy alliance" with the Nationalists and to "support a sane and honourable Imperialism which is the natural destiny of Canada." The Laurier policy was described as a recognition of "the principle of Canadian responsibilty in Imperial emergencies." The same paper on the 16th analyzed and attacked the supposed and equally "unholy alliance" between Messrs. Sifton and Bourassa —both Liberals who were described as dating their dissatisfaction with the party from 1905 when they took opposite sides on the Western School question. The campaign ended with Sir Wilfrid Laurier speaking from end to end of the Province with tireless activity and evident knowledge of danger and in appeals similar to that of his Quebec speech: "I am a Canadian in everything, first and always. For fifteen years I have supported this policy and the people have always sustained me. I appeal to you to trust to me again. I have never betrayed you and now, as I am nearing the end of my life, I certainly would not betray you. Trust me and you will never regret it."

Independent Opinion and Action in the Campaign

The Hon. Clifford Sifton was the leading figure in the independent Liberal opposition to Reciprocity. He campaigned vigorously and spoke frequently, with a clear, concise, and logical treatment of the issue which won wide recognition and many votes. He had declined to be a candidate in Brandon again—or elsewhere—and on July 28 addressed a letter to his constituents in which, after mentioning some of the points in controversy, he described the great issue as being Reciprocity. "I regard the Treaty as commercially of no advantage and from a national standpoint disastrous in the extreme. I believe that it will, if carried into effect, have the most prejudicial effect upon our progress towards a strong, independent, influential position in the British Empire, a position towards which we have lately been advancing with wonderful rapidity. The principle involved is much more important than the continuance in power or even the existence of any party." Dissolution was announced three days later and Mr. Sifton reviewed the situation, from his standpoint, in a widely published interview or Manifesto. As the basis of many speeches a summary of his opinions may be given. From a business point of view the Agreement was, he thought, injurious. "General phrases about larger markets and greater freedom of trade are meaningless without application to the particular condition of the country. In any arrangement of the kind proposed there will be some benefits and some injuries. I regard the benefits as largely problematical, while the injuries are, in any case, certain. Taking this situation as a whole it appears to me that the disadvantages largely outweigh the advantages. To be more specific, take the case of Ontario and Quebec. While there may be opened up a market for a few more or less unimportant products which are now readily saleable, and while the price of a few high-class products may be temporarily raised, there is an absolute certainty that the market for the great bulk of the staple products of the farm, such as butter, eggs, sheep, hogs, etc., will be flooded from the outside. In addition to this, it is certain that many important industries will be seriously affected."

As to the price of wheat it would not be affected. "Ten years hence there will not be a market for a single bushel more of Canadian wheat, because of wheat being free between Canada and the United States. The ratio of the whole available supply to the whole demand fixes the price in the world's centre of trade and that, in turn, regulates the price in the remotest corner of the earth where there is transportation to take the wheat to the world's market." The greater issue lay elsewhere. "The most serious feature of the arrangement is the sacrifice of our fiscal independence. The more you look at it the more certain does it become that from the moment the Treaty takes effect our policy will be

controlled by what is done at Washington. Once we put ourselves into a state of dependence upon American markets and American tariffs, our freedom is gone. With it goes the mainspring of our national life." The Toronto *Globe* (Lib.) described this Message on Aug. 2nd as "insane" and Mr. Sifton as "politically dead"; the people, at large, showed great interest in it.

On Aug. 23rd Mr. Sifton started his campaign of speaking at Ingersoll, Ont., in a speech which reviewed all the issues involved, or said to be involved, in Reciprocity. He claimed that the farmers were risking the substance of an 85 per-cent. product now sold at home for the shadow of an increased price on 15 per cent. sold in the United States; argued that the ensuing pressure of American competition upon the farmer would compel him to insist upon free trade in manufactured goods and thus ruin industrial Canada and make the country a commercial dependency of the United States; claimed that the farmer and consumer would pass into and under the control of United States monopolies and trusts; declared that the Agreement put the Dominion Government in the position of alliance with a Foreign nation to reverse the pulpwood policy of its own Provinces; stated that the policy would compel Canadians to turn away from the Empire and towards the United States. He was at St. Thomas on Aug. 24th and at one or two other places in Ontario. Thence he passed to the Maritime Provinces and was at Woodstock, N.B., on the 28th when he made a special local appeal: "We must not fuse our markets with those of the United States. It is the home of Trusts, where 20 or 25 men practically control the entire business of the country. New Brunswick should be interested in manufacturing. The time is coming when these Provinces will take up manufacturing to a greater extent. The medium-sized and large manufacturing concerns of Canada are in a satisfactory condition, but will they continue to be so if this Reciprocity pact goes through?" At St. John on the following evening he answered Sir Wilfrid Laurier who had just left that city. The meeting was presided over by Hon. J. D. Hazen, the Provincial Premier, who declared it the greatest local gathering he had ever seen and the campaign itself as "a battle for British connection." A few of Mr. Sifton's points may be briefly quoted:

> **Last year the United States produced enough of the kind of products we raise in Canada to feed 90 millions, because what was imported was not worth mentioning; and in addition the United States exported last year $438,000,000 of foodstuffs from her own ports. Russia, which is one of the favoured-nation countries, exported $23,500,000 worth of butter; Australia $20,000,000 worth of beef; New Zealand $4,000,000 worth of lamb; Argentine $5,000,000 worth of lamb. Every one of these countries is amongst our strongest competitors in the markets of the world; there is not a single one of these countries to which we, outside of the United States, could ship anything.**

Sir Wilfrid Laurier has said that the manufacturing industries will not be affected. He has promised that, but it is not always safe to place your trust in Premiers, for he said last Session that he would not change the tariff, in any particular, without first making an investigation. Yet he is going to. I have no doubt that he is sincere, but the political exigencies of the situation compelled him to change his plans. I think I can show you that the political exigencies will prove too strong for him in the matter of manufactures as well.

It will affect the railways of Canada and anything which affects the railways adversely is injurious to the prosperity of Canada as a whole. In labour and material the railways of Canada spend 60 per cent. of every dollar they earn, and the loss in this direction will be reckoned in the tens of millions of dollars. Every railway will suffer, every port will suffer, every harbour will suffer, our merchant marine on the Great Lakes which we have created at great expense will be wiped off the map, but most of all and above all the City of St. John will suffer.

If, as Sir Wilfrid has said, this Treaty will cause trade to flow to the United States like a mill-race, what will be the effect? It will cause the creation of new business connections, new railway services, new terminals in the United States, and as a result of these developments of our trade relations we will be so bound to the United States that we will never be able to break away.

Our Empire has no definite constitutional bonds. It is unorganized. It is bound together mainly by sentiment. It does not have even any strong commercial ties. No one has as yet proposed any definite step calculated to effect the desired unification, and until this is done it is necessary to mark time. If we adopt Reciprocity we will give notice to the rest of the Empire that Canada will not wait—we send out word that Canada will take her own course regardless of the claims or interests of the other parts of the Empire.

In Halifax on Sept. 2nd, 5,000 people heard Mr. Sifton and he told them that the farmers of Nova Scotia could not now meet the yearly demands of their own home market by $4,000,000. Why should they make national sacrifices for a foreign market? "Reputable men among the Fruit-growers claim that the removal of the duty on apples will not increase the market for Nova Scotia apples in Boston and New York. The lumbermen think likewise. Mr. Fielding claims that the Nova Scotia fishermen will benefit greatly. This is an assumption. Gloucester, Mass., has a free market in all parts of the United States yet a population of only 60,000 is supported by the Gloucester fishermen. Reciprocity threatens the persons engaged in working up the fish into various forms, and the big Western market for fish will be taken from the Canadians." In regard to the coal duties Mr. Sifton said that the reduction of eight cents in the duty on coal might mean the loss of the home market for coal. Eight cents difference would allow the Americans to creep in. He advocated the grant of iron and steel bounties. On Sept. 3rd he was at Chatham, N.B., and thence returned to Ontario where he spoke at Ottawa on Sept. 6th and Cobourg on the 7th; at Oshawa on the 8th, where a vigorous appeal was made to manufacturing industries and artisans and special attention paid to a certain financial depression in the United States. "The railways in the United States

are laying off men by the tens of thousands, but there is not an idle railway shop in Canada to-day. Indeed, there is not a railway shop in Canada that can turn out the work as rapidly as it is needed. And now the Government proposes to divert from the Canadian roads tens of millions of dollars worth of traffic to the United States."

Weston was visited on the 9th, Aylmer on the 11th, St. Mary's on the 12th. At this latter place Mr. Sifton replied to the Liberal quotation of speeches by himself favourable to Reciprocity, in former years, by denying the accuracy of some of them and by proving to *The Globe*—which on Sept. 7th had quoted an interview of his of Sept. 4, 1902—that this utterance had been repudiated by him at the time it appeared. At Newmarket on Sept. 13th, Port Hope on the 15th, Windsor on the 16th, and Almonte on the 18th, Mr. Sifton made speeches. At Windsor the speaker declared that Reciprocity was the issue and not Mr. Bourassa. "No danger is involved to Canada through anything that is going on in the Province of Quebec. It is submitted that Mr. Bourassa has certain opinions about the Navy and we are asked to say what we think about them. The Navy is a great and serious question but I have no doubt that the courage, patriotism, and intelligence, of the Canadian people will prevail and that a satisfactory solution of the question will be worked out when the proper time comes. In the meantime I regard it as of the utmost importance that we shall not be bound by ties to other people when the time comes for us to decide questions concerning our Imperial responsibilities. I regard the alliance between Sir Wilfrid Laurier and the Republican Party of the United States as a more unholy alliance, and an alliance much more likely to do harm to the people of Canada, than any alleged alliance between Mr. Borden and Mr. Bourassa."

Of an importance greater than it seemed at the time was a series of speeches delivered in Ontario by Mr. W. T. White. An able man of business in Toronto, Vice-President of the National Trust Company, and closely associated with the Liberal financiers and manufacturers who were leading in the struggle against Reciprocity, Mr. White had won reputation for a cool-headed Canadianism which was not given to excitement, or to any particular kind of Imperial enthusiasm or anti-American sentiment. Hence his address. made in support of Mr. Borden at Toronto on Aug. 23rd —following that at the anti-Reciprocity meeting of some months before—had considerable weight. Some of his utterances may be quoted: "Anti-Reciprocity is my politics"; "there are no birds in last year's nests and Reciprocity is an old bird"; "the United States is now suffering, and has been suffering, for over two years from a wide-reaching industrial and commercial depression. We have escaped the calamities of the past ten years which the United

States has suffered, because of our fiscal independence"; "the bag of gold for the Canadian farmer is here in Canada, not under any star-spangled rainbow to the south"; "the greatest advertisement Canada will ever receive will come when Canada rejects Reciprocity. It will be a new Declaration of Independence that will ring around the British-speaking world." Mr. White spoke in Weston on Aug. 29th, in Port Hope on Sept. 6th, in Brockville on the 7th, in Berlin on the 10th, in Tilbury on the 15th, and in Brechin-King, Paris, Brussels, Ottawa, Port Hope, Cobourg, Tamworth, Wiarton, Kincardine, Elmvale and Drayton on other dates. The business-like, logical nature of these speeches had a pronounced effect in the communities concerned.

A most important individual factor in the contest was Sir W. C. Van Horne. As a keen opponent of the Unrestricted Reciprocity movement in 1891 it was, perhaps, natural for him to assume this attitude again, though Sir William had since then taken no part in politics. Early in 1911 he denounced the proposed Agreement; on Aug. 12 the Toronto *World* urged him to run for Parliament; on Sept. 2nd he stood by Mr. Borden's side at St. Andrew's, N.B., and launched a keen, almost fierce, attack upon the proposals. "I am opposed to Reciprocity because it would destroy our fiscal independence as regards our tariffs; because it would loosen the bonds which bind Canada to the Empire and ultimately destroy them; because the underlying idea on the part of our American neighbours is our estrangement from the Empire as a long step towards annexation. I am opposed to Reciprocity because it would undermine the foundations of our trade and manufactures which have been laid with such effort and success in the last 25 years; because it would be a most damaging blow to the magnificent Canadian merchant marine which has been built up in these same years; because our trade per capita is three-fold that of the United States, and Reciprocity and its natural results would surely bring a common level; and I am opposed to Reciprocity because we don't need it now, having made our own way to success and prosperity."

At St. John on Sept. 11th he delivered a strong, business-like address, interspersed with fiery denunciations of this "hideous and irreparable mistake." After reiterating his reasons for opposing the Agreement Sir William added: "I do not see in it one single unalloyed advantage to any part of our country. There may be here and there temporary advantages to individuals or localities, but they will not compensate for the disadvantages and dangers. Have you ever seen anything in the policy of the United States towards Canada to indicate any disposition to propose anything for our advantage? Surely not. Their disposition towards us has not changed in the least since James G. Blaine told Canada that the only way she could get Reciprocity was to take down her

THE HON. THOMAS WILSON CROTHERS, K.C., M.P.
Minister of Labour.

THE HON. GEORGE HALSEY PERLEY, M.P.
Minister without Portfolio.

In the new Borden Government. 1911.

boundary line. . . . Shall we play gosling to the American fox?"

Another independent incident of the campaign was the attitude of William M. German, M.P., and Lloyd Harris, M.P. The latter voiced manufacturing sentiment in his Brantford constituency by opposing the Agreement in Parliament and did not accept re-nomination by his party—even with freedom of action on this point—although he, no doubt, would have done so had Mr. W. F. Cockshutt, his well-known Imperialist-Conservative opponent, been willing to make way for him. Mr. German, ultimately, was more fortunate. On June 23rd he had met his supporters in Convention at Welland and during four hours debated the matter without moving them—in fact a unanimous Resolution was passed as follows: "That this Convention hereby heartily endorses the Reciprocity pact now before Parliament, pledges itself to support the Government in carrying it into effect and desires to emphasize its continued and fullest confidence in the Government of Sir Wilfrid Laurier." Finally, however, he was accepted as the Liberal candidate, with freedom as to his Reciprocity views, and was unopposed by the Conservatives. In his Address to the Electors on Aug. 11 Mr. German made three points: (1) Opposition to the Agreement; (2) a promise that if it should pass Parliament he would do his best to make it beneficial to the country; (3) advocacy of a new Welland Canal as of the greatest local importance.

Meanwhile, other independent influences had been at work. The 18 Liberals had something to say from time to time in all parts of the country. Mr. W. K. George gave interviews reiterating his denunciation of Reciprocity and was strongly attacked in *The Globe* while Messrs. J. D. Allan and G. T. Somers made several speeches; Mr. L. Goldman gave interviews to the Western and British Columbia press which expressed in keen and incisive terms the danger of increased Canadian assimilation with the United States, under Reciprocity, in customs, habits, sports, travel, individual outlook and point of view as well as in trade and tariffs; Mr. Z. A. Lash, K.C., gave great service to the Opposition as President of the Canadian National or Anti-Reciprocity League of Toronto which issued thousands of pamphlets. As to this *The News* of Sept. 25 gave an explicit expression of opinion: "He, more than any other man, inspired the revolt amongst the Liberals of Toronto, and from the Manifesto of the Eighteen and the deliverances of the Toronto Board of Trade and the Associated Boards of Trade of Ontario the Government never recovered. He likewise delivered three or four powerful addresses when opinion was in the making and issued various leaflets and pamphlets which were mines of fact and argument in the great controversy."

Mr. Hugh Blain, though a Director of *The Globe,* issued a statement on Sept. 8th which had weight and contained these para-

graphs: " I cannot see how the farmer on this side of the line, with a shorter season and a colder and hence more expensive climate to live in, can successfully compete with those south of the Line, where they have in addition to what we have, a longer season and a milder climate, and where they produce everything we produce. It will deprive our farmers of their early and best market, which will be supplied by the farmers of the United States at high prices and by the time our own products come to market prices will likely be down . . . Reciprocity in manufactured goods is the complement of reciprocity in natural products. The one is the necessary complement of the other and will be the inevitable result of the adoption of either. If you want to prevent reciprocity in manufactured goods, defeat reciprocity in natural products and you will settle both questions absolutely."

A special interest, which was naturally appealed to in this contest, was that of the British-born, or people born in and migrating from the British Isles, as distinct from the native-born Canadians. Mr. Arthur Hawkes, who had a varied record as an English and Canadian journalist and advertising manager for a Canadian Railway, started a weekly paper on Jan 23rd called *The British News of Canada* which still issued after the Elections were over. In its issue of Feb. 18th he published a full-page "Appeal to the British-born in Canada" to stand by the Empire and repudiate Reciprocity. Organization followed with various speeches by Mr. Hawkes, John R. Robinson of the Toronto *Telegram* and others, in opposition to Reciprocity and in vigorous appeal to the British element in the population. On Aug. 2nd the Canadian-British Association was formed in Toronto with the Sons of England organization as the basis of its work. Other branches were organized and over 40 meetings held during the ensuing two months. A final appeal was issued by the Central Committee of this body on Sept. 21 declaring that " it is the high privilege of the British-born in Canada to unite with the Canadian-born, at the most important general election in Canadian history, to defeat the object of a foreign Government."

Across the front page of the Toronto *World,* in which this document appeared, was the sentence in large capitals " Which will it be? Borden and King George, or Laurier and Taft?" About the same time as these proceedings another organization called the "Imperial Mission" was launched as a branch of the English Association of that name. Messrs. G. Tait Blackstock, K.C., A. W. Wright and A. C. Pratt, M.L.A.—all Conservatives—were the Canadian organizers and it was finally decided to start the battle for Empire Unity by fighting Reciprocity. Meetings were arranged by W. G. Fee, the Secretary, at Guelph, Oshawa, Cobourg, Picton, Kingston, Brockville and Peterborough with Mr. Wright as the chief speaker.

The Manufacturers and the Election Campaign

Following the protest presented to the Ottawa Government when the issue was in its early stages of development the Canadian Manufacturers Association took no organized public action in the campaign though individual members were interested in, or back of, most of the movements going on throughout the country against the Agreement. The clause in the United States Reciprocity Act—Section Third—" authorizing and requesting " the President of the United States " to negotiate trade agreements with the Dominion of Canada looking towards freer trade relations " was accepted in many quarters as evidence that the policy would not be allowed to stop at agricultural products; Industrial conditions of depression in the United States were widely proclaimed as indicating the necessity of preventing any merging of Canadian interests with those of the Americans; the Montreal *Chronicle* of Aug. 25th pointed out that the exports of manufactured articles by the United States had increased from 671 millions in the fiscal year 1909 to 767 millions in 1910 and to 910 millions in 1911. There were probably at this time in Canada about 500,000 people employed in manufacturing industries and Mr. F. P. Megan, of the Canadian Manufacturers Association, estimated in September that $1,500.000,000 was invested in Canadian manufacturing interests, with an output of $1,000,000,000 a year, paying wages of $234,000,000 a year, with 2,000,000 people dependent upon these wages.

As the campaign developed many manufacturers took sides individually and were conspicuously quoted by the press; the large majority did not do so and, in Ontario at least, were content to vote. Huntley Drummond of the Canada Sugar Refining Co. in Montreal publicly warned his employees against this " unwise and dangerous " Agreement; Thomas Roberston, head of a big Toronto Confectionery firm, stated that it would wipe out his business in Canada; E. M. Trowern, Secretary of the Retail Merchants Association of Ontario, described Reciprocity " as a leap in the dark "; W. H. Rowley, President of the E. B. Eddy Company (Cons.), appealed to his employees and to all patriotic citizens to reject the Agreement; T. J. Storey, Vice-President and General-Manager of the Canada Carriage Co. of Brockville, stumped that riding against the Minister of Railways; John McClary, President of the McClary Manufacturing Co. of London, with many employees and a number of branches, denounced the policy because wiping out the farmer's protection would surely lead to reciprocity in manufactured goods; Robert McLaughlin and Charles Robson, important Oshawa manufacturers, announced early in September their intention to leave the Liberal party and vote against

Reciprocity; C. A. McGaw, of the Western Canada Flour Mills Co., added, on Sept. 12 in Toronto, to the preceding utterances of F. W. Thompson and Robert Meighen of Montreal, a vigorous denunciation of Reciprocity for its effect upon the Milling industry—as did C. E. Goldie of the Canadian Cereal & Milling Co. a little later. In September, also, John Dick and W. J. Crossen, Liberal manufacturers of Cobourg, joined the opponents of Reciprocity, as did Andrew Gray of the Victoria (B.C.) Marine Iron Works; J. R. Booth the well-known Lumberman of Ottawa advised his 2,500 employees to vote against Reciprocity; T. A. Russell of the Russell Motor Car Co. was active in his opposition to the Agreement.

On the other hand the Liberals put up a vigorous appearance of support from Manufacturers and published in the latter part of the fight long lists of those who were backing Reciprocity. The Lumber industry was appealed to on the ground that in the years 1906-10 the Canadian exports of lumber and forest products to the United States had increased from 23 to nearly 32 million dollars; J. B. Tudhope, M.L.A., a large manufacturer of motors and carriages declared on Aug. 16 that he cared so little for United States competition that he was proceeding at Orillia with the construction of an agricultural implement factory costing $400,000; in a *Globe* interview on Aug. 18 the Hon. G. P. Graham said: "As near as I can size up the situation at the present time, the manufacturers who supported Sir Wilfrid Laurier at the last election will support him this time, and the Government stands to gain heavily among the farmers, workmen and artisans."

At Mr. Mackenzie King's meetings in Berlin he was supported by George Lippert, C. K. Hagedorn, E. W. B. Snider and A. L. Breithaupt, prominent local manufacturers; in Brockville Mr. Graham, Minister of Railways, had the public support of Robert Gray, James Innes and other local manufacturing interests; on Sept. 9 James Reid Wilson, a prominent financier and manufacturer of Montreal, announced his support of a limited Reciprocity but opposition to any extension of the policy; in the far-away Kootenays Peter Lund, a well-known lumberman and follower of Mr. Premier McBride, publicly defended the Agreement; on Sept. 18 the Goderich Organ Company, Ltd., and other local industries published a statement that Reciprocity "will not have any injurious effect upon our industries, but rather will help them by furthering the development of the Western Provinces and by increasing the general prosperity of the country." Toward the close of the campaign the Toronto *Star* published many columns of names of manufacturers said to be supporting Reciprocity. A few of the most important may be mentioned:—

W. C. Maclaren	Gloves, etc.	Brockville.
W. C. Edwards & Co	Lumber in all forms	Ottawa.
Ottawa Car Co	Electric Cars	Ottawa.
Col. T. R. Atkinson	Evaporated Fruits, etc	Simcoe.
Franklin Grobb	Massey-Harris Co.	Brantford.
Wood Milling Co	Flour Mills	Hamilton.
J. E. Keenan	Woodenware	Owen Sound.
Collingwood Shipbuilding Co.		Collingwood.
J. W. Little	Hosiery, etc.	London.
W. H. Anderson	Concrete	Kemptville.
D. Knechtel	Furniture	Hanover.
C. O. Fairbank	Waggons	Petrolea.
American Bank-note Co	Bonds	Ottawa.
James Hope & Sons	Blank Books	Ottawa.
Woods, Ltd.	Tents, Awnings, etc	Ottawa.
Joseph Ruddy	Starch Works	Brantford.
John Muir	Goold, Shapley & Muir	Brantford.
Brennan Lumber Co.		Hamilton.
N. H. Stevens	Flour Mills	Chatham.
T. S. Hobbs	Carriages	London.
J. A. Campbell	Plate Glass	London.
P. L. Robertson	Screws	Milton.
Ford Motor Co	Automobiles	Wiarton.
W. L. & G. T. Gibbard	Furniture	Napanee.
Zimmermann Manufact'g Co.	Woollen goods	Hamilton.
J. R. Macdonald	Threshing Machines	Stratford.

Liberal opinions on this point were varied. Free-trade thought found occasional expression as in the statement of Ralph Smith, ex-M.P., at Esquimalt, B.C., on Aug. 29th: "So far as I am concerned—and I make no bones about it—I could have swallowed a much larger dose of this Reciprocity than they have chosen to give us in the Treaty; but of course I am bound to accept even the smallest measure of that which is certain to reduce the cost of living for the people. It is a case of take that and seek for more." Mr. Fielding, Minister of Finance, made his confession of faith as follows at Digby, N.S., on the same day: "I am a moderate, and I hope a sane free trader, but not such a one as would want to strike down the manufacturers. We have said that if the manufacturers are reasonable they could count on our support. I am afraid that some of them are not reasonable however. They are giving a poor return to us. I am afraid that some of them have been foolish enough to listen to the cries of the politicians and are putting up funds. This is a fight between the people and the great and powerful interests."

In Waterloo County where the Minister of Labour had a great many manufacturers amongst his constituents the question was of vital import. At Waterloo, on Aug. 21st, Mr. Mackenzie King was explicit on this point: "It is not the intention of the Government to make any further tariff changes. I cannot make that too clear. If it had been the intention of the Government to reduce the duties on manufactured articles it would have been done when the Americans came to us asking for that. To say that the Government intends such a thing and that this is only the thin end of the wedge is absolute nonsense." The Toronto *Star* on Sept. 8th summed up the issue as one between "the Privileged Few and the Unprivileged Mass";

On the one side we have farmers, lumbermen, and fishermen clamorous for the wider opportunities, the higher prices, and the more stable conditions that the opening of the markets of the whole continent will provide for them. With these are the consumers in cities who wish relief from a situation under which a few combines depress prices of raw materials in the form of hogs, cattle, or canned goods, and unduly elevate the price of the finished article when ready for the table. On the other side are the representatives of the pork-packers, the canners' combine, all the other combines, and the financial interests which have accumulated millions in the form of bonus stock in return for bringing these combinations together and placing their bonds on the British market.

The Montreal *Herald* (Sept. 14) took the opposite line of appealing to the manufacturer: "The Liberal tariff, fortified by Mr. Fielding's fixity of purpose in ensuring its stability, has given the Canadian manufacturer the longest and best breathing-spell he has ever enjoyed. He has grown and prospered and multiplied. If there is one class more than another which should rest content with existing political conditions and depend with confidence upon the attitude towards it of the Liberal Government, it is the manufacturing class." The Toronto *Globe* (Sept. 21), as in many previous editorials, was denunciatory in tone: "The big interests are all arrayed against the removal of the duties on food stuffs. That should be sufficient reason for the people to place themselves upon the other side." As to the West there could be no doubt of the Liberal standpoint. The Regina *Leader* of Sept. 6th said: "The issue in the general election of 1911 and which will be decided by the people with their ballots on Sept. 21st next, is whether or not Canada shall continue to move forward in the direction of lower tariffs, obtain larger markets for Canadian produce, and reduce the burden of customs taxation now borne by the people . . . The big interests are opposing Reciprocity because it means the thin edge of the wedge to further lower the tariff wall. For the same reason the Western farmer and business man should support Reciprocity." The *Grain Growers Guide* of Winnipeg (Sept. 13) was explicit: "Reciprocity is the thin edge of the wedge. The protective tariff that has robbed the people must come down."

In the United States there was little doubt expressed in responsible quarters as to the freer trade that was coming. E. N. Foss, H. L. Stimson and a host of reputable public men took this view. The New York *Times* said on July 23rd that "great as is the actual progress of which Canadian Reciprocity is the embodiment, it is but the beginning of an emancipation that will not cease until it is complete"; and in this statement it represented the New York *World,* Boston *Herald* and an immense number of other journals—prior to the Elections in Canada. Mr. J. E. Jones, the well-known United States Consul in Winnipeg, forwarded a Report to his Government dated Aug. 23rd and dealt with Western conditions in a way which the Conservative

press naturally quoted: "Being closely in touch with this market, I realize its importance to American trade and I believe the seriousness of the situation to-day demands the earnest consideration of every manufacturer in the United States. With a people able to pay for the best, a sympathy for American-made goods, and a strong demand for American styles, these arguments alone suggest the importance of Western Canada as an American market. When I add to this the fact that no specification is necessary in manufactures, that goods made for the American trade generally are the goods demanded in Western Canada, there is found the ideal combination that makes for a successful market." Such was the industrial issue. "Trust us," said the Liberal Government; "It is too great a risk," said the Opposition.

The Farmer's Special Interests in the Elections

This pivotal interest was variously appealed to. The Liberal argument was for a wider, larger, better and, in general, higher-priced market. Wheat in the West, hay in Quebec, barley in Ontario, fruit in Nova Scotia, were the chief elements in the specific analysis. From time to time and in different localities there were, of course, many others. Mr. Fisher, Minister of Agriculture, presented this argument at Waterloo, Que., on Aug. 1st: "We have a large surplus of natural resources and natural products. Our opponents say that we should send them to England. If so, why is it that though we can send horses to England duty free, and we must pay a high duty to get them into the United States, England bought last year $90,000 worth of Canadian horses and the United States bought $900,000 worth? With swine the difference was even greater and $11,000 worth of sheep went to England while $600,000 worth went to the south; England bought our poultry last year to the extent of $27,000 while the United States figure was $155,000; and England invested $260 in Canadian potatoes while the United States bought nearly one million dollars' worth." In the matter of high prices he was explicit on one point: "I have obtained the real prices for bacon-hogs on the Buffalo and Toronto markets. In 17 months there were only three days when the Buffalo market was not higher than the Toronto market and there was not a day in the same period when the New York and Boston prices were not higher than those of Montreal."

It was claimed by the Liberal press that the United States market for pure-bred sheep of a certain class was the only market; that the highest obtainable price was paid in the States for pure-bred cattle; that alleged higher cattle values in Ontario was because the stock in that Province was better than the American average; that the United States was going out of sheep and lamb production and a huge new market would thus be opened to Canada; that bean growers would find a certain and profitable market

in the States if the 45 cent duty were removed; that the farmer would get free entry to the United States, and in most cases better prices, for his cattle, horses and mules, swine, sheep and lambs, poultry, wheat, rye, oats, barley, beans, potatoes, corn, apples, onions, pears, peaches, grapes, butter, cheese, fresh milk, fresh cream, eggs, hay and straw, while the consumer would have lower duties to pay and consequently a smaller price to pay for his meats, bacon and hams, salt-beef and pork, lard, tomatoes, and other vegetables, wheat-flour, oatmeal, and cereal foods, macaroni, biscuits and canned fruits, agricultural implements, cutlery, canoes, motor vehicles, etc.

Malting barley was said to sell at from 58 to 60 cents a bushel in Toronto and Montreal and at $1.00 in Buffalo and *The Globe* declared that the removal of this duty alone would mean (Aug. 9) $15,000,000 more in the pockets of Canadian farmers. Larger lines of trade and production would open up—especially for Ontario—in turnips, beans, potatoes, sugar-beets and other branches of truck-farming. The United States export of wheat and oats would surely decline in proportion to its increase of population and then Canada would be the source of supply to a market greater than that of the United Kingdom. The hostility of many United States farmers to the Agreement was widely quoted as illustrating Canada's advantage and, in the matter of fruit, it was claimed that a whole string of new markets extending from Port Huron to Rochester and including Detroit and Buffalo, would be open to the Niagara producer; in milk and cream the existing export to the Eastern States would be immensely increased; it was asserted that in the United States nearly all farm journals and organizations were against Reciprocity while in Canada nearly all farm journals and organizations were in favour of it.

The home market contention was met by pointing out that for much of his own production the farmer was his own consumer, that the farmers would obtain simply an additional market for their surplus, that prices were necessarily higher at a nearby point across the border than when the product was transported hundreds of miles to a big centre in the home market. This latter point was overlooked, however, when Montreal or Toronto papers compared —as did the *Herald* of Aug. 17—the alleged average price of hay in Montreal during January-June, 1911, as $11.75 while in New York it was $23.75 and in Chicago $18.00. Another Liberal contention was that as the balance of trade with the United States was now against Canada—$113,000,000 exports to that country and $239,000,000 imports from it in 1910—Reciprocity would correct the condition by largely increasing Canadian agricultural production and exports. It was claimed that cream afforded an object lesson in Reciprocity benefits because, owing to an accidentally low duty, Canadian farmers sent in 1910 $1,660,000 worth of cream to

United States markets at a price of 25 per cent. above what they could get for the milk at local cheese factories and made a net gain of $400,000. It was reiterated, over and over again, that the $3,500,000 of United States duties removed from certain agricultural products or animals under the Agreement would be added to the prices received by the Canadian farmer. In this matter of prices the Liberal press published a lengthy computation relating to certain United States and Canadian centres from the Department of Labour's special Report issued at this time. The most important items were as follows:*

Commodity.	Market.	1911, 6 mos.	1906-11, average.	Present U. S. Duty.	U. S. Duty under Reciprocity.
Steers, export	Toronto	$5.88	$5.51	27½%	Free
Steers, prime	Buffalo	6.51	6.48	27½%	Free
Butchers' cattle, choice steers	Toronto	5.69	5.29	27½%	Free
Steers, butchers'	Buffalo	6.05	5.56	27½%	Free
Cattle, western prime	Winnipeg	5.40	4.46	27½%	Free
Steers, good to prime, fat.	Chicago	6.62	7.04	27½%	Free
Sheep, export ewes, each	Toronto	4.54	4.47	$1.50	Free
Sheep, ewes, each	Buffalo	4.05	4.88	1.50	Free
Hogs, choice selects, each.	Toronto	6.81	6.96	1.50	Free
Hogs, Yorkers, each	Buffalo	7.38	7.35	1.50	Free
Horses, heavy draught, choice	Toronto	200-250	125-250	$30 or 25%	Free
Horses, draughters, choice.	Chicago	225-350	160-500	$30 or 25%	Free
Wheat, winter, Ont. No. 2.	Toronto	0.84	0.90	0.25	Free
Wheat, winter, No. 2 red	Detroit	0.91	1.00	0.25	Free
Wheat, spring, No. 1 Nor.	Winnipeg	0.92	0.95	0.25	Free
Wheat, spring, No. 1 Nor.	Duluth	1.00	1.00	0.25	Free
Oats, Ont. No. 2 white	Toronto	0.34	0.40	0.15	Free
Oats, No. 2 white	Buffalo	0.36	0.46	0.15	Free
Barley, Ont. No. 2	Toronto	0.63	0.57	0.30	Free
Barley, malting	Buffalo	1.00	0.76	0.30	Free

It was asserted by some Niagara Fruit-growers such as R. Thompson and J. E. Johnston that more would be gained than lost under Reciprocity and that in all the finest and best varieties of fruit it would be simply a matter of growing the right product, in the proper way, and shipping intelligently. The increasing value of the United States market for wheat and flour was illustrated in the statement that in 1900 the Canadian export of wheat to the United States was 16,844,000 bushels and of flour 768,000 barrels and in 1910 49,741,000 bushels and 3,064,000 barrels, respectively. On the other hand United States exports of wheat were quoted as decreasing from 101,950,000 bushels in 1900 to 46,679,000 bushels in 1910 and of flour from 18,699,000 barrels to 9,040,000 barrels. It was pointed out that the United States had reduced duties much more largely under the Agreement than Canada—wheat 25 cents as compared with 12 cents by Canada, Oats 15 cents as against 10 cents, barley 30 cents compared with 15 cents, beans 45 cents compared with 25 cents, peas 25 to 15 cents, etc. Of course the original American duties had been much higher. It was pointed out in the West, especially, that the Lib-

* NOTE.—Toronto *Globe*, Aug. 25, 1911.

erals in 1897 and in 1906 had reduced the duties on agricultural implements and that this Agreement was another step in a beneficial direction.

The effect of the McKinley Bill of 1890 was pointed to by a section of the Liberal press. It had destroyed a large Ontario trade in barley and the continued exclusion of other farm products from the United States was claimed by the Toronto *Star* (Aug. 29) to be responsible for the decline of farm values in York, Simcoe and Durham Counties from $100 or $125 an acre to $70 or $80 an acre. So in other directions. "In 1887 we sold 363,000 sheep in the United States. That was nearly four times the number we sold in 1910; in 1887 we sold over 18,000 horses in the same market. That was upwards of ten times the number sold in 1910. Our sales of cattle in 1887 totalled nearly 46,000 and last year were 12,000. Our neighbours took nearly two million dollars worth of Canadian eggs in 1887; a year ago less than $12,000 worth." At a meeting in Postville, Halton County, on Aug. 29th Mr. W. L. Smith of the Farmer's *Weekly Sun* produced another contention: "Farm lands in Sandwich East—eleven miles from Detroit though on the Canadian side—are selling at $60 an acre; in the State of Michigan, at an equal distance from the Detroit market, farm values are up to $200 an acre. Why? Because products of the Michigan farms can be sold freely in the market of Detroit while the same market is closed by a tariff against like products from Essex."

Lower prices for farm implements were, of course, promised and at a Winnipeg meeting—followed by a letter over his own name in the *Free Press* of Sept. 9th—H. W. Hutchinson, General-Manager of the John Deere Plow Co., Ltd., said: "We (the Company) are prepared in the event of the adoption of this Pact to reduce our prices to the farmer $5 on every harvester, $3 on every mower, $1.50 on every rake, $5.00 on every seeder, $3.00 on every American waggon, and other things in about the same ratio. If the price of American harvesters, plows, drills and waggons are reduced to the extent of which I have stated, then our competitors all through their lines will, no doubt, follow suit. The farmers will save in this way, as near as I can reckon, $1,000,000 per annum."

An argument connected with wheat, which was much used, claimed that in ten years the three Western Provinces would produce 500 million bushels and, as Great Britain only imported 200 million where, except in the United States, was the surplus to be sold? Finally, the Montreal *Herald* of Aug. 4th enlarged upon the issue as being *the farmers' turn.* "The rest of us have had ours, with his good-will and encouragement. He has stood behind the fostering of a tariff-bred manufacturing industry knowing that he paid much of the cost while others got most of the profits. He has stood behind the opening of the West,

although the market value of his own farm went down in the process. He has stood behind the grid-ironing of the country with railways, which charge all his traffic will bear. He has encouraged the banks to grow strong by accumulating the fruits of his labours, to find them financing unsound projects for whose mistakes he has had to pay his full share. He has seen the cities filled with the youth of his countryside, himself bereft of his children and separated from the friends of his youth."

The Conservative appeals to the farmer were as varied as those of the Liberal. The 90-million market was described as a delusion: (1) because it produced more wheat, other grains, and all food-stuffs, than it could consume and could, under pressure of demand, produce much more; (2) because its competition in the Canadian market would involve the pressure of a 90-million production upon a 7-million product and the result would be larger American sales in Canada than Canadian sales in the United States; (3) because between 1880 and 1900 there were 15,344 farms in New England, a total of 5,000,000 acreage, abandoned as unprofitable by farmers who had always possessed this boasted market; (4) because land values were really greater in Canada than in the States—a United States Government report giving the increase in ten years as 67 per cent. in Maine, 39 per cent. in Michigan and 77 per cent. in Minnesota as compared with 120 per cent. in New Brunswick, 43 per cent. in Ontario and 123 per cent. in Manitoba.

It was claimed that the Canadian farmer did not need the United States market and that, practically, what he sent there under Reciprocity would simply replace other United States products shipped to Great Britain; that the Trust-handled American produce and food would be "dumped" into the Canadian home market at slaughter prices until Chicago and Minneapolis had obtained control of the only competitive source of supply on this continent, and until the Poultry, Egg, Meat, Cheese, Butter and Warehousing Trusts had gripped with an iron hand the farmers and consumers of Canada; that, as an illustration of this very process, in three months prior to July 31, 1911, 18,000 sheep had been brought into the Toronto market, duty prepaid, and sold at a cheaper figure than the current price to the Canadian farmer; that prices in Canada for farm products were usually higher than in the States and under Reciprocity would, of course, seek the lower level while the loss, for instance, of $1.00 a hundred-weight on every hog in Ontario would be followed by the transfer of Toronto's dead-meat trade to Buffalo and the disappearance of Canadian bacon from the British market; that the removal of Canadian duties of 25 per cent. on cattle, horses worth more than $50, sheep and lambs, and other live animals, poultry (alive), of 4 cents a pound on butter, 3 cents on cheese and 3 cents on honey, of 3 cents a dozen on eggs, 1¾ cents a pound on fresh meats

and 7½ per cent. on canned meats, and many similar reductions, would involve very serious competition to Canadian interests.

Mr. C. A. Burns, a leading Toronto horse-dealer, stated in the press on Aug. 15th that "the Ontario farmer will lose $50 at the very least on every horse he has to sell if Reciprocity comes into effect; and that means three million dollars of loss to the Ontario farmers every year. They can breed horses in Arkansas and in the south-western States for much less than we can in Canada; they can graze them for nine months in the year, where the most the Ontario farmer can graze his horses is for five or six months in the year. Moreover, they can feed their horses corn which is cheaper than oats." Certain United States papers claimed that under Reciprocity American farmers would regain their lost export trade through obtaining Canadian hard wheat to mix in milling with their own softer grades; that the wheat crop of the two countries would become practically one and Europe—really Great Britain—would then receive its wheat when and at such prices as might suit United States conditions; that Winnipeg abattoirs would, under free trade, draw their cattle, sheep, and hogs from Montana, Minnesota, and Dakota owing to the one-crop tendency of the Prairie Provinces; that there would be an immense increase in the American exports of meat products and a big market in Western Canada for the dairy products of the Western States which would replace those of Ontario; that the available surplus of Canadian wheat for export was so comparatively small as not to offer any competitive dangers to United States farmers. These and similar arguments were, of course, utilized by Conservative speakers in the campaign. Much was made of the British market and its value and the public money spent on its development in recent years; of the work of farmers along this line in all kinds of societies and organizations; of the labour of individuals, corporations, and Governments to promote British trade; of the evolution of railways, canals and steamships as aids to ocean traffic. All these elements and the encouragement of clean, cold storage facilities in steamers and of safe, careful handling in transportation had been required to cultivate and control a British market represented in 1910 by the following exports from Canada—compared with those to the United States:

	Total Exports.	Exports to Gt. Britain.	Exports to U. S.
Green and Ripe Apples	$4,418,562	$4,184,878	$132,810
Wheat	52,609,351	49,267,736	1,883,647
Wheat Flour	14,859,854	8,872,698	571,938
Butter	1,020,893	587,493	199,854
Cheese	21,607,692	21,481,566	23,995
Barley	1,107,732	744,470	66,608
Bacon and Hams	6,847,000	6,836,392	7,678
Salt-Beef, Pork, Canned Meats, other meats, Lard, etc	1,268,256	1,143,079	51,657
Totals	$103,739,345	$93,118,312	$2,938,187

This great free market would be either abandoned or neglected under Reciprocity yet, it was alleged, Canada had since Confederation exported $694,730,000 worth of agricultural products and $1,093,392,000 worth of animals and their produce to Great Britain as compared with an export, respectively, of $278,864,000 and $243,645,000 to the United States. Upon this point A. J. Hodgson, a well-known Montreal produce-merchant, said on Sept. 16th: "When I first came out here, 25 years ago, the Americans had captured the English market for dairy products and the Canadian products, to get a foothold in the English market, had to be sold at two or three shillings a hundred-weight less. Aid was then given to the Canadian farmer and money was spent on instruction. The quality of Canadian dairy products improved so much that in a few years Canada captured the English market and now we can obtain a cent per pound more there than the Americans can get."

Much was made of the value of Canada's home market in which the Canadian farmer sold 85 per cent. of his produce. Major J. A. Currie estimated (Commons, Mch. 7) that the home trade of Canada was worth 2,500 million dollars; it was pointed out that the United States farmer in 1909 had 200,000,000 horses, cows and cattle, sheep and swine, as compared with 15,000,000 in Canada and that the prices of the greater would control the less; it was claimed that as the exports of Canadian farm produce to the United States—animals, breadstuffs, fruits, hay, provisions, vegetables and hides—had only increased in 1909 and 1910 from $8,963,000 to $10,547,000 while the imports from the United States had increased from $18,331,000 to $26,293,000, that a similar and greater process would naturally follow under Reciprocity. Upon two important points Mr. Donald Macmaster, M.P., of London, and once a member of the Dominion and Ontario Parliaments, said to the Toronto *Mail* on Sept. 9th:

> Our free market means more to them (the United States) than their free market means to us. Their seasons are earlier than ours and the result in regard to fruits and most vegetables is that they would supply our markets at the high prices before our own productions were ripe and ready, and when they were ready we could only send them to a stale market in the United States in competition with the reduced prices that would prevail in the stale market. The Americans would thus have it both ways. . . . The Canadian farmer, particularly in the West, thinks he will get a higher price in the American market. The Western American farmer dreads the importation of Canadian free wheat because he says it will lower his price. But this much is certain, all the wheat that goes south of the line to be ground in American mills will result in great profit to the American millers, will enable the American to get what he now much requires, the by-products, brans and shorts, with which to feed his hogs and cattle and, what is equally important to him, as Mr. Taft points out, enable the miller to send the Canadian flour, American-ground, as American flour, to foreign markets.

The opening of Canada's market to the favoured-nations was a frequent Conservative argument. It was claimed that in 1909

ten of these countries exported over $800,000,000 in agricultural products; that the Canadian market would be thrown open to them all without any return or reciprocal concession; that the Russian malting barley dominated the world's supply and would capture the Canadian market; and, that in wheat alone—excluding the United States—five of these countries exported 230,000,000 bushels. Mr. James Carruthers, a grain exporter of Toronto, summed up a part of this contention in the local press of Sept. 9th: "Oats will come in from Argentina and barley will come in from Russia. The big oatmeal mills that have been running on Ontario and Manitoba oats, giving our farmers a fine local market at their doors, will, if this Reciprocity deal goes through, run on Argentine oats and prices will have to come down to meet the competition. The Montreal malt houses that are running on Ontario and Manitoba barley, giving our farmers a good home market, will run on Russian barley."

Varied were the other arguments employed. The Liberal contention as to the Ontario barley crop being destroyed by United States duties was denied and it was pointed out that in 1890 the production was 15,600,169 bushels worth $7,831,285 and in 1910 it was 19,103,107 bushels worth about $13,000,000. As to fruit conditions it was claimed that intense American competition prevailed, even at present, owing to United States wages for orchard work being 25 per cent. cheaper and the cost of boxes, wrapping paper, etc., 25 per cent. cheaper in the United States than in Canada; that in British Columbia the removal of the fruit duty would injure an industry developed by large investments in land, irrigation works, etc., hurt Canadian credit abroad and nullify large Provincial expenditures upon the encouragement of fruit-growing. Like the fruit interests market gardeners were vigorously appealed to and, in both Toronto and Winnipeg, they declared that the competition of earlier United States products would cripple or ruin their business. Mr. Thomas Delworth, President of the Ontario Market Gardeners' Association, was a notable exponent of this view. The increase of United States animal or farm production was said to be great and to fully meet the argument that the market in the States for Canadian products would grow larger and larger. Some of the increases from 1900 to 1910 were quoted as follows in the Toronto *News* of Sept. 11th: Cattle 43,900,000 to 69,000,000 or an increase of 57 per cent.; Horses 13,500,000 to 21,000,000 or an increase of 56 per cent.; Sheep 41,800,000 to 57,200,000 or an increase of 36 per cent.; Swine 37,000,000 to 47,700,000 or an increase of 28 per cent.; total value of farm animals $2,228,000,000 to $5,138,000,000 or an increase of 130 per cent.; total value of farm products $3,764,000,000 to $8,926,000,000 or an increase of 137 per cent. A document much quoted in the Elections by Conservatives was a publication of the United States Senate (No. 862) explaining the

effect of the Agreement upon United States conditions. A few quotations may be given here.

> The free listing of live-stock benefits farmers and stock raisers on both sides of the line, but probably those in the United States get the larger benefit.
>
> The sheep raisers of the United States will be materially benefited by getting their sheep into Canada free.
>
> The advantages to Western (U. S.) farmers by the free importation into the United States of Canadian cattle for fattening have been fully explained by Secretary Wilson. This is one of the most valuable features of the Agreement.
>
> Some of the best and latest examples of mill construction, unsurpassed by any mills in the world, are found in Canada, all of them being the result of the last ten years increase.
>
> American mills have capacity and could convert into flour not only the entire annual wheat product of the United States, but in addition the entire wheat product of Canada. Make it possible for the surplus wheat of Canada to seek the exporting mills of the United States and they (the latter) will convert it all into flour and sell it abroad, thus taking from the foreign miller the best part of his supply and that which he now obtains at a relatively low price.
>
> The question presented is, whether the Canadian surplus of grain will reach the ultimate markets where the world's price is fixed, on the low basis at which it is at present being marketed, or whether this surplus will be handled by American methods, through American elevators, over American railways, and by American flour mills, all of which, with abundance of capital, established connections, and unparalleled facilities, provide channels and methods by which distribution may be more in accordance with the world's needs, thus subjecting the Canadian surplus to influences that will add to its ultimate value when it finally goes into consumption.
>
> It is the part of wisdom that such a union of commercial forces may be provided by which the competition between the grain producers of Canada and the grain producers of the United States, for the sale of their surplus products in the markets of the world, may be minimized or entirely eliminated. Such union of commercial forces is made possible by the Reciprocity Agreement. The North American crop, once this Agreement is approved, will move forward to the points of final distribution, not as now, a weight to bear down the market, but dealt out to meet the market's demands.

Appeal to the Consumer and the High Cost of Living

This appeal and this problem were of obvious importance and of much prominence. The associated question of who pays the duty was not discussed in the old-time manner of 1878 when Liberals accepted and proclaimed the Free-trade theory that the consumer always pays a protective duty and the Conservatives declared it to be purely a matter of local conditions and supply and demand. Argument was, in fact, lacking on both sides in 1911; there were so many issues involved in the general question that statement was resorted to in this respect rather than proof. The Farmers' organizations and the press in the West, the Grange and *Farmer's Sun* of Toronto and many Liberal speakers in both East and West, accepted as beyond dispute the contention that free trade would raise the price of farm products in Canada; while it was also claimed that the Canadian consumer

would be relieved, in the prices paid for his supplies, by just the amount of the millions charged as duties upon United States products. Supplies in the urban centres such as apples and other fruits, turnips and other vegetables, eggs, butter, cheese, potatoes, poultry and fish would be reduced in price by the elimination of the duty paid by the consumer.

The *Weekly Sun* put it as follows on Sept. 13, and often before that date, regarding the first point—that of export: "During the year ending March last duties to the amount of nearly $5,000,000 were paid to the United States Government, in exports from Canada to the United States, in lines covered by the Agreement now awaiting the judgment of the Canadian Electorate. If the Canadian people declare in favour of the Agreement, these duties will not have to be paid next year." Mr. Mackenzie King, Minister of Labour, at Berlin on Sept. 2nd was equally explicit: "To-day we are selling large quantities of agricultural produce to the United States, but on that stuff we pay a heavy duty. We pay a duty on wheat, hay, cattle, live-stock, on all the things we send into the United States. I think the United States Government collected something like $5,000,000 of revenue from the commodities that went from the farms, or as natural products of this country, last year into the United States. Now if that amount of money, alone, could be saved to the producers of this country they would be so much better off without any change in price one way or the other."

The Canadian exporter, therefore, paid the duty according to this contention while in the same speech the Minister of Labour declared that the Canadian consumer had to also pay the duty on imports: "I say this Agreement, in as much as it takes the duties off fruit and vegetables and food supplies to the extent I have indicated, will help to smash the large monopolies, will save to the consumers of this country over $3,500,000 in duties alone, because that was the amount of duty paid last year, which would not have been paid had this Agreement been in force, and all of which had to be paid by Canadian consumers. Did you ever hear of relieving the people of $3,500,000 taxation on their food supplies and at the same time increasing the cost of living?" This latter view Mr. Fisher, Minister of Agriculture, also proclaimed in all his speeches during the campaign.

Many Liberal speakers, notably Mr. Templeman, Minister of Mines, in the Commons on Mch. 7th, accepted the English free-trade view of the Grain-Growers Association that not only did the consumer pay the duty on imported products but a similar amount in the increased price of home products. "The people of British Columbia paid $2,500,000 either in duty, or in enhanced price caused by the duty, on importations into the Province. I assume, of course, that the duty in the majority of instances enhanced the price to the consumers even on the home produce." In the

cities the Liberal argument most frequently used was that increased competition would bring lower prices and to this, as the fight went on, was added long tables of statistics tending to prove that prices of certain food products were lower in United States cities such as Seattle, Buffalo and Detroit, New York and Boston, than they were in Vancouver, Victoria, Toronto, Montreal or St. John.

In Toronto *The Star* had a public exhibition of food products bought in Buffalo and in Toronto with prices attached. Its explanation of the claim advanced, for instance, by J. H. Ashdown, Liberal candidate in Winnipeg, on Sept. 2, that "the Pact will give a greater price to the farmer and will decrease the cost of living" was as follows: "In the first place the duties at present collected on products imported, amounting to a very large annual sum, will not be collected and will remain in the consumer's pocket. In the second place the commission agents and middlemen, the meat packers, the canners, and all the rest of them, will no longer be able, by reason of the American tariff, to control and keep down the price at which the farmer must sell to them. At the same time they will no longer be able, by reason of the Canadian tariff, to control and keep up the price at which the consumer must buy from them. Thus the food monopolists, who have been able to play both ends for the benefit of themselves, will have their exorbitant profits cut down, to the advantage of both classes of their victims." An incident of the elections in Ontario was the Liberal attack in this connection upon the William Davies Company, Ltd., Pork-packers, etc., for the alleged sale of certain products at higher prices in Canada than were asked in United States centres with the vigorous replies, and proofs to the contrary, which were adduced by Mr. J. W. Flavelle.

The Conservative contention, amongst farmers, was that in the matter of prices United States competition—many millions to a few—would control the result; except in wheat, which was adjusted in price at Liverpool to meet the world's supply and demand. In urban centres figures were adduced to disprove the Liberal contention as to lower prices in United States cities and to show that while agricultural prices were, as a whole, higher for the best grade of product in Canada yet in American centres prices were so fluctuating and so controlled by Trusts and monopolies that no legitimate comparison could be made. The Toronto *News* of Sept. 19 met the issue as follows: "Lower prices for city consumers means lower prices for the farmer producers. The argument that the one arrangement can heighten prices for the farmers and reduce them for the buyers is so absurd on the face of it that to substantiate it the Liberals are drawn into a vicious attack on the Canadian meat industry—an attack which, if successful, means the dismissal of several thousand workmen." As to the United States Meat Trust which would replace Canadian

Packers the *Mail and Empire* (Sept. 14) told this story: "Take the City of Syracuse, as an instance. In that city there is not a single butcher shop. The Beef Trust wiped them out long ago, and the meat dealers are reduced to the position of tools of the Trust. They go down to the Railway station and get the dressed carcases from the loaded car from Chicago. But they have to charge just what the Trust says or their supplies will be cut off. The price of beefsteak there is 30c. a pound. The consumers of Syracuse, one and all, have the ring of the Beef Trust in their noses."

The Conservative answer to the promise of lower prices and the free trade theory of duty paid by consumers was not theoretical but practical—the Food Trusts of the United States. It might have been pointed out, though not much use was made of the statement, that on Jan. 18 Governor Woodrow Wilson of New Jersey said in his inaugural address: "It is estimated that most of the food supply of the people of northern New Jersey and half the food supply of New York City is kept in cold storage warehouses in Hudson County (N.J.) awaiting the state of the market. The result is not only to control prices but also to endanger health." Information available along these lines was, in fact, voluminous though not closely applied. At Washington on Feb. 14 the Commissioner of Corporations, H. K. Smith, reported to Congress that three concerns owned 11 per cent. of all the privately-owned timber in the United States and were organizing with others to hold the timber for higher prices. On Feb. 27th Sir R W. Best, Australian Minister of Trade and Commerce, published a Memorandum stating that the United States Meat Trust was endeavouring to extend its "merciless methods" to the Commonwealth and that drastic steps would be taken to prevent anything of the kind. In March it was stated that the gross earnings of the United States Steel Corporation since its organization in 1901 had totalled $5,856,271,615 and its net earnings $1,202,303,765. A petition was filed in the Courts on Mch. 3rd stating that the General Electric Company of New York with 34 allied concerns controlled 97 per cent. of the country's Electric supplies and had done so since 1904. The United States Government's fight with the Standard Oil and other Trusts was a further illustration of conditions in this connection—as to which the London *Standard* had, a year before, published a list of 100 Trusts—cold-storage, poultry, beef, paper, sugar, oil, tobacco, steel, &c.—having a total capital of 5,500 million dollars.

Two applications of the Trust argument, as presented by the Opposition, may be given here. On Sept. 8th the Toronto *News* observed editorially, that in the past week 100,000 New York State and Pennsylvania Grangers and market gardeners had sent 70 Delegates into New York City to see why they received only a fractional proportion of the money paid by the consumer for food

supplies. "They found city people paying $12 for a sheep sold on the farm for $3.50. Broilers which they parted with for from 6 to 12 cents a pound brought 40 to 50 cents a pound in New York. Potatoes for which consumers paid $60,000,000 last year netted the farmers less than $8,500,000. Cabbages which sold in the city for $9,625,000 brought the farmers but $1,800,000. Milk which sold to consumers for $48,000,000 to $49,000,000 brought the farmers $23,000,000. Eggs that cost the consumers $29,000,000 brought to the farmers but $17,000,000 while onions sold for $8,000,000 brought to the farmers but $821,000." The reason was said to be over-capitalized monopolies and trusts controlling transportation and prices, as huge organized middlemen, between the producer and the consumer. Speaking in Montreal on Sept. 11th Mr. Olivar Asselin gave a practical illustration of the influences which might come into Canada under Reciprocity: "I remember when the Canadian Oil Companies, having sunk wells in Ontario, were selling oil at 15 cents a gallon. The Americans came and sold at 14½ cents a gallon and quickly controlled the market. Having starved the Canadian Companies they bought them out, and now they have raised the price of oil, not from 14½ cents to 15, but to 25c. a gallon."

As to agricultural products and the contention that the Canadian farmer also paid the duty on his exports, Conservatives were content to quote President Taft's statement that there would be no real effect upon the price of the United States farmers' product from Reciprocity and a Congressional Report showing that average prices to the farmer were higher in Canada than in the States. The United States were said to be trying, through Reciprocity, to get away from their system of Trusts and oppressive middlemen; would it not rather place a whole continent within the grip of that system? Moreover, it was said not to be the Tariff which had caused the increased cost of living in Canada; the ratio of increase in Free-trade England being also very great; while changes in production, wages, transportation, credit and speculative land values had wielded a large influence. Increased population, rapid progress, growing centres, were largely the cause in Canada; this prosperity would be seriously affected by Reciprocity at the very roots of its growth. Such were the arguments adduced along this line.

British and United States Interest in the Elections

It was natural that Great Britain and the British press and politicians should be vitally interested in this Election. If one Canadian viewpoint was correct it would mean an extension of the area of free-trade and an incentive to British Liberals to stand more firmly by their fiscal guns; if another Canadian view was more accurate it would mean the destruction of all hope of Canada ever forming part of a Preferentially-bound Empire and be a severe blow to the Tariff Reform and Conservative party of

Great Britain. In between these positions was Sir Wilfrid Laurier's idea that the existing Preference could still be maintained under Reciprocity and increased when, if ever, the Tariff Reformers should come into power.

Prior to the Elections opinion was strongly expressed and, as already pointed out, pretty much along party lines. Once the contest was on, however, the voicing of British public opinion was left largely to individual feeling or irresponsible papers such as *Truth,* although parties in Canada freely quoted the preceding utterances of British public men—the Liberals using extracts from speeches by Lord Haldane and Mr. Lloyd-George and the Conservatives using extracts from Mr. Balfour or Mr. Chamberlain. The British public, of course, discussed the matter freely and P. A. O'Farrell, a well-known Canadian journalist, told the Montreal *Star* on Aug. 18 that: "Everywhere I went in Great Britain and Ireland, Canada was the talk at the dinner-table, in the street cars, in the hotels and in the trains. But everywhere, also, I found a sinking of the heart among Canada's friends at the mention of the trade treaty with the United States." There were occasional press comments, of course, and when made they showed the leaning toward or against the Imperial Reciprocity which was to be affected by American Reciprocity. On Sept. 20 the London *Standard* declared that if the Laurier Government was beaten on the 21st "a shrewd blow" would be delivered at the Asquith Government "and the policy of closer union—especially in trade matters—would receive such a momentum as would certainly carry the Unionist Party to a triumphant issue when next an appeal is made to the country." But, on the whole, the Daily *News* (Lib.) was correct in its reply to *La Vigie* of Quebec on Sept. 13th when its Editor cabled: "All responsible Tariff Reform leaders and newspapers are most careful not to doubt Canadian Government's loyalty and rectitude, and to avoid even appearance of meddling. No public man has referred to controversy for months."

With strong Imperialists, free from official or party ties, it was different. The *Financial News* of Aug. 17th summed up the issue in these words: "We have never, for a moment, questioned the loyalty of Canada to the Imperial ideal; but we do consider that in seeking to conclude an arrangement with a foreign, though Anglo-Saxon nation, that has for its avowed object the direct and immediate expansion of trade between the two countries, she is taking a step which must in the long run tend to destroy her character as a British nation and to alienate her enthusiasm for the British connection. It is a question of simple figures. Two people, practically on an island, without a boundary—equally virile, aggressive and ideal, the one numbering 80,000,000 and the other 7,500,000; which will most strongly impress its characteristics on the other? To ask the question is to answer it." Rudyard Kipling, in his

famous despatch to the Montreal *Star* of Sept. 7th, represented a similar line of thought:

> I do not understand how nine million people can enter into such arrangements as are proposed with ninety million strangers on an open frontier of four thousand miles, and at the same time preserve their national integrity. Ten to one is too heavy odds. No single Canadian would accept such odds in any private matter that was as vital to him personally as this issue is to the nation. It is her own soul that Canada risks to-day. Once that soul is pawned for any consideration, Canada must inevitably conform to the commercial, legal, financial, social and ethical standards which will be imposed upon her by the sheer admitted weight of the United States.

As to other parts of the Empire the same journal, on the 12th, published despatches denouncing Reciprocity as an injury to Imperial unity from the Pretoria *News,* Calcutta *Englishman,* Auckland *Herald,* Hobart *Mercury,* and Brisbane *Courier.* On the other hand Lord Mount Stephen was reported by cable on Sept. 18th as stating that "Reciprocity will be a good thing for both countries and do no harm to Britain. Talk of its leading to the annexation of Canada by the United States is utter nonsense." British visitors in Canada during this period did not make speeches but in occasional press interviews usually showed themselves afraid of Reciprocity in an Imperial sense. T. Guy Paget, a recent Unionist candidate, described Americans whom he had recently met as chuckling over a coming victory; W. Leonard Palmer of the London *Financial News* described the policy as one of exploitation rather than development; Sir Reginald MacLeod, K.C.B., declared that "one of the strong inducements to the investment of British capital in Canada is the feeling entertained by the British capitalist that money invested here remains as much under the British Crown as it would were it in England itself" and thought that Reciprocity would greatly weaken this belief. To the Victoria *Colonist* of Sept. 16th the Rt. Hon. J. W. Wilson, M.P. (Lib.), said that Britain was content to trust Canada. "But," he added, "there is no question that American reciprocity will destroy all hopes of Imperial preference." On the other hand Sir John Barker, Bart., a great English business man and Liberal, described (Victoria *Times,* Aug. 19) Reciprocity as purely a matter of business. "England has advanced money to Canada at a lower rate of interest than she has done to any other nation in the world and having already advanced Canada $500,000,000 is willing to advance a further $500,000,000." The great mass of English visitors, however, avoided any public expression of opinion.

Americans were not so careful in this respect either in or out of Canada. It did not seem to occur to them that an Election was a proper time for non-intervention; rather the reverse in fact. The only exception was in the moderate control exercised by a considerable portion of the press as to the direct mention of

Annexation. Presumably, as an aid to Reciprocity, the Chamber of Commerce of Buffalo advertised in the Toronto *Globe* of July 5 and pointed out to the Canadian manufacturers that "Buffalo's location is the best in the United States for assembling raw material for both the Canadian and the American West, and for reaching the best of domestic as well as foreign markets. For reaching the American market Buffalo's 17 railroads and 10 steamship lines make its traffic situation strategic." The offer of the John Deere Plow Company—a large United States implement concern—to reduce its prices under Reciprocity has been already quoted. T. P. Hammer, lumber-buyer of Philadelphia, told the Amherst (N.S.) *News* of Sept. 17 that in his firm's contracts for next season they were "embodying a clause that if the Reciprocity agreement went through they would give 75 cents per thousand superficial feet more than the contract prices called for."

On Aug. 21st President Schurman of Cornell University addressed the Canadian Club, Winnipeg, and, to the surprise of an organization which in all parts of Canada avoids politics, rebuked those who feared the Americanizing influence of Reciprocity and added: "Not only has a trade agreement nothing to do with the political relations of Canada toward Britain but in the condition of sentiment toward Britain which now prevails in the United States it would be difficult, if not impossible, to secure the enactment of a measure which would in any way be prejudicial to the interests of Great Britain." Before and during the campaign E. W. Thomson, the Ottawa correspondent for the Boston *Transcript*—himself of Canadian birth—issued a series of able but bitter letters in favour of Reciprocity which were largely republished by the Liberal press from time to time. One of these epistles (Aug. 2) illustrates the character of all. "The Reciprocity measure is generous to Canada, as Canadians in general well know. Did they respond by the slap which our Tories pretend to seek leave to deliver, not merely your magnanimous President, his Cabinet, his party, but both the great parties of the Republic would feel the sting of the blow. Both parties (U. S.) further the neighbourly offer. It is national in an unusual degree. It was granted, very much of goodwill, to fifty years of Canadian demand for the very thing now conceded. Can any reasonable man believe that, if our Tories won the coming election, they would venture on that blow? No. They are not precisely fools enough to risk the turmoil which a justly-embittered United States press would speedily create."

Moreover, he added, the West would rebel and fight and the West would be right. In August a large party of about 200 Ohio and Vermont newspaper men toured the West and made an indirect and sometimes direct campaign for Reciprocity. At a Winnipeg Civic banquet on Aug. 12 the Hon. J. J. Lentz of Columbus, spoke for some time on the "inevitable destiny of

closer relations" between the two people. "Reciprocity is inevitable, and the sooner the Governments of the countries send all their Customs collectors to work in the wheat fields, the better it will be for the people." Dr. J. E. Jones, United States Consul-General at Winnipeg, told the Editors to remind their people that Canada was "the greatest market in the world for American-made goods."* At various points in the West where this Delegation was entertained Mr. Lentz and others defended Reciprocity and repudiated political union. In Welland County the Buffalo *Express* took an active interest and was strongly opposed to Mr. German's election by acclamation; in St. John, W. S. Fisher, a prominent Liberal who had declined to support Reciprocity, stated on Sept. 11th that gold bond bills of $5,000 each had been changed into Canadian money and a not-altogether successful effort was made to prove one of the transactions; in Ottawa the N. Y. *Herald* opened a branch office and conducted a vigorous Reciprocity campaign during the Elections; in Montreal, and through the Maritime Provinces, thousands of copies were circulated every Saturday during September of a Reciprocity supplement to the Boston *American*—one of W. R. Hearst's papers; in the Prairie Provinces it was charged by the Conservative press that the most active agents for the Agreement in the West were a small army of salesmen for farm implement establishments located at Chicago, Moline, St. Paul and St. Louis.

The most conspicuous incident of interference, however, was that of W. R. Hearst, the proprietor of a string of newspapers stretching from New York and Chicago to San Francisco. In the earlier stages of the discussion Annexation was openly advocated by these journals; afterwards the issue was narrowed to closer trade relations. William Hoster, for years the Hearst representative in Washington, was alleged to have been in Montreal for sometime during September directing a quiet campaign for Reciprocity and looking after the issue of the Supplements already referred to. This story was dealt with at an Opposition mass-meeting in Montreal on Sept. 9th and Mr. Hearst's journalistic activities freely denounced by Messrs. Papineau, Mathieu, Olivar Asselin, R. H. Pope, G. Lafontaine, M.L.A., and others. It was elaborated in the Ottawa *Journal* of Sept. 18 with many details and was resented in strongly-worded despatches addressed to Louis Pelletier and R. H. Pope by the Halifax *Herald,* Moncton *Times,* Sydney *Daily Post,* Quebec *Chronicle,* Brockville *Times,* London *Free Press,* Calgary *Herald,* Vancouver *Province* and Victoria *Colonist.* To the New York *American,* Mr. Hearst, who was then in England, cabled on the 15th a letter appearing in the London *Budget* and in which he declared Reciprocity the only issue in the Election and Annexation a false one introduced to evade the real question. "The word 'Annexation' has a certain suggestion of force or compulsion about it, and is not even

*Note.—Winnipeg *Free Press* report, Aug. 14, 1911.

properly used in this connection. In my opinion it should be discarded and some word of clearer and better meaning substituted. I suggest the word 'union' or the word 'admission.' Among citizens of the same general character, with cordial inter-relations, the subjugation of either one by the other in this enlightened age is an absurd proposition and not seriously to be considered by anyone." Reciprocity was a message of peace amongst English-speaking countries and would greatly benefit England as a consequence. Would England, he asked, refuse the open market of the United States if it were offered? Mr. Kipling was invited by him to think as well as to write!

During the campaign Canadian newspapers contained many letters from Canadians settled in the States opposing Reciprocity from a Canadian point of view; others, in lesser number, supporting the policy. Interviews from visiting Americans, also, were not all one way though the most of them were favourable to the Agreement. On the Liberal side in Canada it was alleged that the United States Trusts having failed to defeat Reciprocity at Washington had turned their financial artillery on Canada and had subscribed large sums to help the Conservatives. The following despatch from Washington appeared in many Canadian papers on Aug. 15th: "President Taft has been informed of a lumber, paper and beef trusts' boodle fund to corrupt Canadian voters." The Montreal *Herald* received a special despatch from Washington on the same day saying that "definite information that a final resort to the use of a huge campaign fund has been determined upon, to defeat Reciprocity in Canada, has been received in Administration circles here." No proofs were made public but the charge was widely made and no doubt credited in some measure.

The Position of the Eastern Provinces in the Contest

The Provinces early in the year commenced to indicate their attitude toward Reciprocity and, before the Elections were under way, had all, with the exception of Quebec, officially registered opinions in their respective Legislatures. In Ontario the Conservatives had minor issues which they developed at times though Reciprocity was, of course, the central and pivotal point of attack. The charges against Mr. Oliver, Minister of the Interior, presented by D. McGillicuddy, a one-time active Liberal, in speeches and by the publication of a letter to Sir Wilfrid Laurier of July 8, 1911; the nomination of Donald Macnish by the Liberals of West Elgin despite his connection with unsavoury political incidents and a former Provincial bye-election which *The News* of Aug. 3, 1911, described as "without parallel in Canada or any British country for the character of the methods adopted"; the voting in May of large Supplementary estimates which were alleged to be inspired by coming Election requirements and to include what Conservative journals termed

an "enormous amount of money" for Mr. Pugsley, Minister of Public Works, to promise or spend—a total appropriation for his Department of $23,000,000 out of the $155,000,000 which were voted for Estimates and Supplementaries; the vigorous attitude of the Orangemen toward the Ne Temere Decree, voiced in Resolutions such as that passed by the 12th of July gathering in Toronto on motion of W. D. McPherson, K.C., M.L.A., and indirectly hurtful to a Premier who was at once a Catholic and a French-Canadian—these and other matters had a certain, though limited, effect in Ontario. But the great issue was Reciprocity.

Speaking in Toronto on Aug. 6th Sir James Whitney expressed the Provincial Government's position in words which were clear and explicit: "They are right when they say we will throw the weight of our organization in favour of the Dominion Conservative party, and no Government ever had such an organization as ours. Our organization—the only one we possess—consists of the people. When the time comes the people of Ontario organize themselves and they tell the remnant of this Province, who do not want good government, that they shall have good government. I am told that I should not forget that there are Liberals who support our Government. I know that and there are going to be more. They forget that the people who support us are also going to oppose Reciprocity. Thank God the people of Canada, not the people of one party, are going to oppose that Agreement and to spurn the mess of pottage they are offered." During the ensuing campaign the Provincial Premier did not spare himself—or his enemies. At Winchester Springs, Dundas County, on Aug. 21, he described the drift of Reciprocity as being toward Annexation, the policy itself as opposed to the welfare of Canada, the result as making Canadians hewers of wood and drawers of water to the Americans. He declared the Conservatives in this Election to be fighting for British connection and institutions and predicted Mr. Borden's accession to power. He was at Walkerton on the 24th where he described Reciprocity as follows: "It will mean ruin to Canadian industry, ruin to Canadian home markets, ruin to the Canadian farm industry, and will make still more imperceptible the bond which unites us with the Mother-Country."

Sir James spoke at Georgetown on Aug. 29, at Mount Forest on Aug. 30th and Dundas on the 31st where he made the statement that he agreed with President Taft in describing Annexation as "all bosh" but, he added, that did not mean that "the United States was not trying to reach that end." He was at Aurora on Sept. 5th and at North Bay on Sept. 7th where he asked what earthly use the Georgian Bay Canal would be under Reciprocity; at Collingwood on the 8th, at Toronto on the 11th and at Stratford on the 12th where a Conservative landslide in Ontario was

predicted. At Seaforth on the 13th Sir James urged the people to stand by the Empire despite President Taft and his ideals; he was at Sarnia on the 14th. To the Winnipeg *Telegram* on the latter day he wired a statement as to certain current misapprehensions regarding his views: "I never said the Annexation cry was nonsense. Quite the contrary. I am convinced from the utterances of President Taft and other public men, and influential newspapers, that their direct object is to break the bond between Canada and the Empire which Taft says is light and almost imperceptible. His message of congratulation to the notorious Hearst newspapers for their work in specializing what he calls the Gospel of Reciprocity is the last proof. I have said, and repeat, that Canadians are loyal and will not change for or by any reason of Reciprocity." Sir James also spoke at Brantford on Sept. 15th, at Hamilton on the 17th, at Alexandria on the 18th, and at Cornwall on the 19th.

During the campaign the other Members of the Provincial Government were in the thick of the fight. The Hon. W. J. Hanna and Hon. J. O. Reaume were for varying periods in Western Ontario, Hon. J. S. Duff in the Georgian Bay district, Colonel A. J. Matheson in the East, Hon. J. J. Foy and Dr. R. A. Pyne in the Toronto ridings and Hon. Adam Beck at a number of points. The Hon. Frank Cochrane had organizing charge of the entire Conservative campaign in Ontario and he made the most of his position. The Hon. George E. Foster did a vigorous and effective share of the fighting. He did not trouble personally about his North Toronto seat where W. H. Shaw was again the Liberal candidate until near the close of the campaign but for three weeks spoke every night at some point, as follows, where his well-known eloquence was in demand:

North Bay	Ont.	Aug. 12	Massey Hall, Toronto		Aug. 23	Moncton	N.B.	Aug. 31
Paris	"	" 16	Gorrie	Ont.	" 24	Oxford	N.S.	Sept. 1
Woodstock	"	" 18	Wingham	"	" 24	Westville	"	" 2
Brampton	"	" 19	Hanover	"	" 25	Antigonish	"	" 4
New Liskeard	"	" 21	Welsford	N.B.	" 28	Halifax	"	" 5
Cobalt	"	" 21	Fredericton	"	" 28	Shawville	Que.	" 8
Burk's Falls	"	" 22	Chipman	N.S.	" 29	Parison	Ont.	" 11
						Cannington	"	" 19

A few Ontario incidents in the contest may be mentioned here. R. R. Gamey, M.L.A., made a speaking tour of the Thunder Bay and Rainy River region; E. B. Osler told a Toronto audience on Sept. 14 that the statement of an alliance between Mr. Borden and Mr. Bourassa was "absolutely false from beginning to end"; W. F. Maclean spoke at a number of points in Ontario and his paper, *The World,* was vigorous and effective in its campaign against Reciprocity, in both cartoon and argument. Its 12 reasons for voting against Reciprocity given, on Sept. 21, were as follows: Because it is unnecessary; because it means the destruction of our national resources; because it involves American control of our water-powers and mining industries; because the 90-million

market is merely an uncertain border-town market; because it will prevent the Canadian North-West from becoming the world's granary; because it means the stoppage of United States investment in Canadian manufacturing industries and the removal of existing branches; because it means the dominance of the American people in Canada and, ultimately, annexation; because we are loyal to the Motherland and the British Empire. In East Toronto on Sept. 15 Mr. Maclean used some ringing words:

We are not only going to beat this Reciprocity and bury it forever; we are going to come forth out of this fight into a newer, wider, a more progressive, a more virile national life—into a brighter sun:

For lo, the days are hastening on
By prophet bards foretold
When, with the ever-circling years
Comes round the Age of Gold—

Canada's Age of Gold is about to dawn, and we are to be at the bursting, at the most glorious point in a nation's history. Our Nation and our Empire are full of the sap of life. We are to have a closer union with the Empire, and a better tariff arrangement between all the Allied States of our great British Bond. We are to have more National Policy, not less, and we shall have a still better tariff law based on more scientific lines and having full regard for the joint trade interest under the One Flag. We will encourage still further the finishing of our raw material; we will finish our nickel ore, our pulpwood, our lumber, our wheat; we will have more steel and more copper production; we will have steel ship-building, and our own ships on every sea.

The Liberal campaign in Ontario was a determined fight against uphill political conditions. Sir Wilfrid Laurier—like Mr. Borden—spoke at certain centres; Mr. A. G. Mackay, K.C., the Provincial Leader, continued his speaking tour of earlier months and visited Port Arthur, Fort William, Kenora, North Bay and various other points in Northern Ontario, and was also at Stratford and Owen Sound; the Hon. George P. Graham, until the last days of the contest, devoted himself chiefly to the Province instead of his own constituency and spoke at Beaverton, Havelock, Peterborough, Parry Sound, Alexandria, Cobourg, Collingwood, Stratford, Windsor, Chatham, Kincardine, Brantford, Weston, Carleton Place—he was at Brockville on Sept. 7th and again on the 14th; the Hon. William Paterson spoke at a few places but had to give most of his time to his own seat which was in doubt while Sir Allen Aylesworth visited a dozen points in Ontario besides several in his old constituency of North York; the Hon. W. L. Mackenzie King addressed 18 meetings of which a few were in his own constituency and the others at points such as Tavistock, Paris, Sarnia, Milton, Ingersoll, St. Thomas, Port Hope, Hamilton and Napanee; Hugh Guthrie, K.C., a prospective member of the Government, if returned to power, addressed at least a dozen meetings while N. W. Rowell, K.C., who was destined to succeed to the Ontario Leadership, spoke at Ilderton, Malvern, Georgetown, Oshawa, Brampton, Sarnia and Brockville.

Mr. Mackenzie King, at Berlin on Aug. 5th, dealt with Reciprocity from the economic point of view. His comments may be summed up as follows: You can pass by this opportunity to secure a wider market and it may never occur again; the United States offer us a market of 90,000,000 people and a protected market and that chance is given solely to Canada; the Agreement will increase transportation, business and commerce, and help every man in this community; never before did a Government go to the people with so great a sense of victory as at the present time; if they do not get a chance to export to the United States, the great wheat and cattle growing areas of the West will come down to Ontario, congest our markets, and depress trade. "As one who believes in bringing down the cost of living to the masses, I am prepared to support that Agreement." On Aug. 20th the Minister of Labour used language in addressing a German-Canadian audience in North Waterloo which was construed into an appeal to vote for him because Mr. Borden's Naval policy meant the construction of battleships for use against Germany. The Toronto *News* of the 22nd obtained the exact words used from the Minister's Secretary as follows: "Mr. Borden was prepared to take from the Treasury of the country and would have taken it if he had been at the head of the Government, enough money to build two Dreadnaughts, to send that money to England telling them to sink it in warships. The amount of money he (Mr. Borden) was prepared to send there, to take out of the Treasury to build warships to fight Germany, was more than was being spent on the whole Service which the Liberal Government was constructing and which, when built, would remain around our shores as a protection and not as Jingoes might want to use it."

In this North Waterloo riding much was made of the part taken by the Minister of Labour in settling the Grand Trunk strike of 1911. James Murdoch of the Brotherhood of Railway Trainmen magnified it from the Liberal standpoint; J. Harvey Hall of the Order of Railway Conductors minimized it from the Conservative standpoint. In a Labour connection J. G. O'Donoghue worked energetically for the Liberal cause in Ontario and as Solicitor of the Dominion Trades Congress—said to represent 200,000 organized workmen—wrote H. J. Logan, K.C., of Amherst, N.S., on Aug. 30 as follows: "I have had a lot to do with the question of the cost of living of the workers, and it is my firm belief that the adoption of the Reciprocity pact will mean a cheaper breakfast and dinner-table to the workers. That means a couple of dollars a week to the workingman's wife and as she has to square the butcher and the baker and the grocer she deserves every consideration. The Trades and Labour Councils of Winnipeg, Toronto, Ottawa and Montreal have declared for Reciprocity."

Sir Allen Aylesworth in his speeches took, like Mr. Lemieux in Quebec, a vigorous British stand. He supported Reciprocity; he urged Imperial unity. In saying farewell to his constituents of North York at Newmarket on Aug. 12 the retiring Minister of Justice paid an eloquent and earnest tribute to Sir Wilfrid Laurier: "Ah, fellow-workers, I know the man. I have sat back of him in the House. I have sat at his left hand in the Cabinet Council. I know him intimately and thoroughly. I have seen him in every mood and I have come to tell you from the fulness of my heart that he is a man among men, and that I shall deem it a privilege to be a friend and supporter of his as long as life is left me. There is not a thought, nay, not a breath drawn by Sir Wilfrid Laurier that is not single to the good of Canada and her people. He is a loyal subject, a true believer in that form of Imperialism which he thinks and I think is the true form; that Imperialism which gives to every component part the fullest freedom and seeks equally the well-being and closer binding together of the whole."

Mr. N. W. Rowell, K.C., spoke strongly for his Party. He traversed much of the Province and on Sept. 9th expressed confidence in a Liberal victory. In North Toronto on Aug. 24th he said: "Liberals are true Loyalists, not merely lip Loyalists. Who gave us British Preference? The Liberals. Who gave us Imperial Penny Postage? The Liberals. Who sent the first Canadian contingent to cover itself with glory by aiding Britain? Sir Wilfrid Laurier. Who refused to send a contingent to aid Britain in the Egyptian campaign? Sir John A. Macdonald." At Oshawa on Sept. 9th and at Ingersoll on the 13th he denounced at length the alleged Borden-Bourassa alliance. "In order to find a parallel in history for such an unnatural and unholy alliance one has to go back to the days of ancient Rome when Cæsar, Pompey, and Cassius, with their divergent aims and ambitions, formed an alliance called 'The First Triumvirate,' to get control of the Government of Rome." As to Reciprocity he summed up his views (Oshawa) as follows:

> **The Agreement, in the language of the street, is for Canada a case of 'Heads I win, tails you lose.' It may interest some Conservatives to learn that last year we imported goods to the value of $96,000,000 from the United States, which were free of duty. The new arrangement would add only $9,000,000 to this sum. What are its main effects so far as imports are concerned? First, the consumer gets all kinds of early vegetables and fruits cheaper. Second, he gets a substantial reduction in duty on all kinds of food products. Third, the manufacturer gets a reduced duty on certain of his raw materials. What is the effect on export? It gives the farmers a free access to the American markets for all their products which in the past have been largely shut out by prohibitive duties, and it will substantially reduce the high American tariff on manufactured food products, and on a limited list of manufactured articles.**

Dr. J. A. Macdonald, Managing-Editor of *The Globe*, had a rather conspicuous share in the campaign. He had been charged

by Colonel S. Hughes (Cons.) in the Commons on Jan. 27th with having aided in bringing about the Reciprocity Agreement, while acting as "the paid agent of Mr. Ginn," a well known publisher, advocate of free trade and peace, in Boston. Dr. Macdonald, writing from California to the Stratford *Herald* of Feb. 21st denied these allegations and pointed out that it was six months after the Washington negotiations that he became connected with the World's Peace Foundation endowed by Mr. Ginn; as to Reciprocity he had dropped into the discussion at Washington by accident and remained in it as a bit of good newspaper policy. The point came up variously during the Elections and some hard words were said on both sides. Dr. Macdonald spoke at various points, and very earnestly, in favour of Reciprocity. He was at Brantford on Sept. 5th, at Ailsa Craig on the 14th, in North Toronto on the 15th. On the latter occasion he said little of Reciprocity but much of Mr. Bourassa, and much also of Sir Wilfrid Laurier's loyalty: "Sir Wilfrid Laurier, more than any other man, has interpreted the sentiment and the purposes of the overseas Dominions of the King. It is owing to him and to his statesmanship, more than to any other cause, that the five free self-governing Dominions of the Empire are to-day to the Motherland like the five fingers of a great hand. They are all free, they are vitally related, and they all close towards the palm. And that great hand is stretched over the seven seas, not for aggression or tyranny, but for the peace and good-will of the world." At Paris on Sept. 19th he made a fierce attack upon Mr. Clifford Sifton:

> Speaking as a Liberal Editor—and I venture to think I express the general sentiment of Liberal newspaper men in Canada—I can tell Mr. Sifton that Liberal journalism for the past ten years would have been a much easier and much more grateful task had he paid due attention to what was said to him and about him by the Conservatives in the Press and in Parliament. For myself I am bound to say that during the nine years of my editorship of *The Globe* the Hon. Clifford Sifton and what the Conservatives called 'Siftonism' was absolutely the heaviest and most irksome burden we had to carry. Knowing for years, as we did, that he has carried a knife in his boot for members of the Government, it was no surprise, but rather an infinite relief, when he joined the ranks of Borden and Bourassa. The great talents which his present associates declared he prostituted to selfish aggrandizement he now prostitutes in a campaign as dishonest and as disgraceful as anything in recent political history.

Another Toronto Editor who made several speeches in favour of Reciprocity was J. E. Atkinson of the Toronto *Star*. T. C. Robinette, K.C., who had at first been doubtful about the policy, found a change of heart and took up Sir Allen Aylesworth's dropped candidacy in North York. In his Address to the Electors of that riding (Aug. 12) he demanded freer trade for the following reason: "This campaign is a struggle of the people for themselves against privilege in taxation and preferment of certain classes to the detriment of the original producer and the consumer; and in

this campaign are being used all the skill and weapons of the privileged classes to maintain their supremacy and set more firmly the grinding heel upon the necks of the people." A much-quoted endorsation of the Reciprocity agreement was that of Senator George A. Cox which had been published on the front page of *The Globe* in the early stages (Mch. 1) of the controversy. In it this veteran Liberal reviewed the Agreement as almost solely a matter of aiding the agricultural, lumbering, mining and fishing interests by giving them a larger market; pointed out that a vast portion of the capital and deposits in Banks and financial institutions consisted of the farmers' savings; declared that there was no danger to the manufacturers because "the opinion throughout Canada, entirely irrespective of party lines, is practically unanimous that the prosperity of the country for a long, indefinite period is absolutely bound up with reasonable protection for our manufacturers"; expressed pride in the Imperial and Naval policy of Sir Wilfrid Laurier and declared that "great good in a business way" would come from the ratification of the Agreement.

Sir Richard Cartwright spoke at Toronto on Aug. 29th in one of his old-time denunciations of protection and Imperialism. The Unrestricted Reciprocity proposals of 1891 he described as "a heroic remedy for a desperate set of circumstances"; under the present Government's policy Canada would have a chance of practically dominating a large part of the United States market. He repeated his old argument as to Canada's continental position: "So long as Canada remains a part of the British Empire, Canada's position, geographically, is such that she must be either a hostage or a link of union between Great Britain and the United States." As to the loyalty cry he was uncompromising: "So far as I have been able to trace it this cry of loyalty appears to have taken its origin from certain hysterical women of the male sex, chiefly resident in Toronto." Upon this latter point Mr. S. H. Blake, K.C., wrote (Sept. 2) to H. M. Mowat, K.C., one of the Liberal candidates, that he looked upon the allegation that "a little extra business here, or some financial dealings there" would undermine Canadian loyalty to Great Britain as "a direct insult to the people of Canada." Meanwhile the Toronto *Globe* developed an editorial campaign of keen denunciation of those "who believe in obstruction and class privilege" as against those "who believe in freedom and equality"—Aug. 12. The 18 Liberals were told that their present views indicated ignorance of or repudiation of the fundamental principles of historic Liberalism; the conflict in Quebec was described as one between Sir W. Laurier, toleration, moderation, and loyalty and a Bourassa-Borden alliance of race and creed bigotry.

As to the home Province of the Prime Minister much has already been said. The English-speaking part of the contest was well handled by the newspapers of both parties though the Montreal *Herald* (Lib.) had been pessimistic from the beginning of the year as to the Nationalist movement and its influence in destroying the *prestige* of Sir W. Laurier. On Sept. 18 it expressed the belief, however, that the Province was "swinging back to Laurier." There was no visible lack of confidence amongst the Conservatives and Nationalists; they fought earnestly and enthusiastically. Mr. Fisher, Minister of Agriculture, found himself "heckled" and his meetings frequently disturbed in the Eastern Townships where for years his influence had been supreme; Mr. H. S. Béland, the Postmaster-General, despite the fair and loyal tone of his addresses, found difficulties with various audiences as did Mr. Lemieux, Minister of Marine, who had charge of the Quebec District part of the contest. Mr. Fisher's speech at Waterloo on Aug. 1st was typical of many of his addresses.

He laid the blame for Dissolution upon Conservative obstruction, described the coming relief of the farmer from paying duties on his products going into the United States and warned the Opposition that they would never again be allowed to force an Election: "I confess that liberty of speech is dear to me, but I say that if we are supported we will pass such changed Parliamentary rules that the public business may go on without obstruction, and without the dictation of a minority of representatives." Mr. Béland at this meeting, and others, expressed strong British feeling: "England is the country which has defended our rights and our religion. The French-Canadians are the most interested in having England's power conserved. England has never asked for a man or soldier to defend our country. She has always protected us. What is she asking from Canada now? She says: 'You were poor and I helped you. To-day, when you have grown up will you do something to protect yourself and even when you do I will not abandon you.'"

One of the strong Liberal candidates in Montreal was Dr. Milton H. Hersey, a man of high scholastic, business and financial standing. In his platform he declared that "it would have been a crime against civilization not to have listened to these advances of our own neighbours, not to have accepted the opportunity of wider reciprocal trade with them. If the farmers are to be benefited all sections of the country will be benefited; the Agreement constitutes a bond of peace and harmony and friendship between the two nations." Mr. Robert Bickerdike, Liberal candidate in the St. Lawrence division, included in his platform Reciprocity in natural products alone, an increased preference for Great Britain and a strengthening of the ties

of union, a 40-foot channel in the St. Lawrence to the Ocean, the immediate construction of the Georgian Bay Canal, a connecting line, from and to Montreal, with the Transcontinental Railway and the making of Montreal a free, national Port. *La Presse* aimed its strongest attacks against the Nationalists; upon the Navy question its position was that every vote for Mr. Borden or against the Government was a vote in favour of an Imperial Navy with participation in the wars of the Empire—instead of supporting a Navy essentially Canadian. W. D. Lighthall, K.C. (Lib.), of Montreal, supported Reciprocity for national reasons. In the *Herald* of Sept. 16 he said: "The clearest fact in the whole matter, turn it which ever way we will, is that the great body of farmers will make more money by having an extra market. And if that money amounts to even half of the thirty or forty millions expected it will be a great boon to them." N. K. Laflamme, K.C., of Montreal, a Liberal who had been working with the Nationalists prior to this Election, aided the Government at this time and supported Reciprocity.

As to the Conservative fight in Quebec, it was embodied, on the English side, in a continued series of vigorous special articles and persistent, strenuous, denunciation of Reciprocity in the Montreal *Star* and by the quiet, steady arguments of the Montreal *Gazette*; it was helped in the French sections by the independent guerilla enthusiasm of the Nationalists. Montreal was expected to go Conservative but only did so in part. The outstanding candidate of the party there was H. B. Ames and his masterly organizing qualities were, as usual, successful. Mr. Ames' Manifesto to his Electors was an able document reviewing the various arguments against Reciprocity—(1) Canada was doing well and it was unwise to cut right across existing lines of development; (2) the Agreement meant dislocation of business and a readjustment and unsettlement of what were satisfactory existing conditions; (3) it would restrict and probably destroy Canada's fiscal independence and make the issue, some day, one of continental free trade or commercial ruin; (4) Protection to a class or section could not be permanent and its abrogation would mean continentalism; (5) President Taft was right as to the parting of the ways—the issue was continentalism or consolidation of the Empire. He defined his views on the Naval question as follows:—

> **The British naval authorities should be asked the question: Is the Empire in immediate danger upon the seas? Were the answer in the affirmative then Canada should forthwith subscribe her quota for strengthening the defensive power of the Empire, with the shortest delay, by utilizing the constructive activities already created. Were the reply in effect that there was time for Canada to work out a naval policy of her own, then, an Empire-embracing plan should be drawn up by the best experts, Canada's programme assigned to her, and the scheme submitted**

for examination and discussion by and before the Canadian people. Were a majority favourable to the plan I believe that the minority would loyally accept the verdict. The people should, however, be directly consulted. This is, I take it, the position taken by Mr. R. L. Borden in his speech in Parliament last November, and it is a view with which I am heartily in accord.

Much was made in Quebec of the alleged depression in the United States—a condition, it was claimed, which Canada would share under Reciprocity; and *The Star* had large headlines on Sept. 4th stating that "1,000,000 men are idle in the United States." G. F. Johnston, Conservative candidate in the St. Lawrence district, was emphatic in his loyalty: "Above all," he said in a published Address, "let us take no step that may weaken or imperil the ties which unite us to our world-wide Empire, dowered with its imperishable memories of a glorious past and crowned with the confident hope of a still more splendid future." Montreal people were also told that Reciprocity would kill the real estate "boom" and transfer half the traffic centering there to United States railways; prevent construction of the Georgian Bay Canal; rob the market gardeners, there and in other cities, of most of their profits; cripple local industries and hamper the investment of capital. J. N. Greenshields, K.C., the well-known Liberal lawyer of Montreal, addressed a number of meetings in September—not for, or against, Sir Wilfrid Laurier but against Reciprocity. To him, in these speeches, the Agreement meant United States control of Canadian resources as a preliminary to control of the Canadian people. Nationalism is dealt with elsewhere.

In New Brunswick the contest centred around the persuasive personality of Mr. Pugsley, Minister of Public Works, and was led on the Conservative side by Mr. Hazen, Premier of the Province. The Minister commenced the Liberal campaign early in the year with various meetings addressed by Hugh Guthrie, M.P., Dr. Neely and other Members of the Commons. At a mass-meeting in St. John on May 8th the following telegram, adressed to John Keefe, President of the Local Liberal Executive, was read: "In supplementary estimates submitted to Parliament by Finance Minister to-day there is an additional amount of $500,000 for improvements in St. John Harbour. This is for the purpose of commencing work on development in Courtenay Bay to provide terminals for the Grand Trunk Pacific. William Pugsley." Dr. Neely followed this up with a still larger promise in his speech: "I say that if the Government of Canada decides to take over the whole responsibility of developing the Harbour of St. John and also to refund the money already spent I am sure there will not be a voice west of Lake Superior which would vote against it." Reciprocity was dealt with along lines of greater trade and larger markets; of enlarged pork-packing

plants in the West as an answer to the fears of the meat-packers in the East and the oft-repeated statement in this campaign that the William Davies Co., of Toronto, had paid 120 per cent. dividend in one year on a capital of $250,000; of St. John as the Liverpool of America and of the fight throughout the country as one of monopoly *versus* freedom. Mr. Guthrie also made this point: "The first effect will be the increase in land values. There are abandoned farms in Maine but they were never intended for tilling and the good farms sell all the way from $10,000 to $15,000 while in New Brunswick the top-notch price is $5,000." Confirming his telegram Mr. Pugsley sent a letter as follows:

While the negotiations were in progress I had many conferences with Messrs. Fielding and Paterson, and, in considering what would be of special benefit to my Province I urged that we should secure free fish, the free admission of sawn lumber, the reduction of the duty on laths and shingles, the free admission of cattle, horses, lambs, and poultry, also farm products and the reduction of duty on building stones and lime, and the free admission of gypsum. All these have been granted except as to lime, on which the United States duty is at present less than the Canadian. The making of sawn lumber is of special importance to New Brunswick, and St. John has an additional interest in this because by the Payne-Aldrich tariff the Pike law is repealed, the repealing clause to go into effect next year, when the privilege, which the United States citizens have enjoyed for half a century, of manufacturing in St. John, lumber from logs cut in Maine, and sending it to the United States free of duty, will cease if Reciprocity is not carried.

At a Liberal meeting in St. John on Aug. 11 Mr. C. W. Robinson, K.C., the Provincial Liberal leader, urged James Pender to accept the local nomination in a telegram stating "patriotic reasons" for the wish. "We must not let Canada's opportunity pass." There were minor issues also. On Aug. 2nd the St. John *Telegraph* gave the following reasons why Mr. Pugsley should be re-elected and the Government supported: "Since Mr. Pugsley became Minister of Public Works the Government has taken over the work of building wharves; has constructed one additional wharf; has completed plans and dredged a large part of the site of a series of wharves to follow; has facilitated the transfer of the shore lots to the C.P.R. and is calling for tenders for a sea-wall to enable the Railway company to fill in those lots; has dredged the harbour channel to a depth of 34 feet, enabling the larger steamers to enter at the lowest tide; has called for tenders for a dry-dock ship repair plant, breakwater and wharves in Courtenay Bay, where since Dr. Pugsley became Minister the Grand Trunk Pacific selected the site for its terminals and the Canadian Northern announced its intention of doing the same; has let the contract for an Armoury to cost a quarter of a million on which work is now progressing; has secured a vote to purchase a site for a modern post office; has provided for a public building in Fairville; has

looked after the County wharves and breakwaters; and done other things of great benefit to the people."

At St. Andrews on Aug. 15 W. F. Todd, the Liberal candidate, promised new dredging operations within a few days and the Minister also announced a scheme of international steamers from Boston to St. Andrews. Dr. D. H. McAllister, in King's-Albert, did not lay so much stress on Reciprocity as on the substantial advantages he had obtained for the County during the late Parliament and, in *The Telegraph,* published a long list of sums expended in dredging, wharves, repairs, etc. Of course the main issue everywhere was Reciprocity and for this reason Hon. John Morrissy, Chief Commissioner of Public Works, and the only Liberal in the New Brunswick Government, supported his party and did his best to hold Northumberland for W. S. Loggie.

In St. John the fight between Messrs. Pugsley and Pender and Daniel and Powell was vigorous and the issue finally in great doubt. At the Laurier meeting on Aug. 28 Mr. Pugsley was able to announce that the tender of Norton Griffiths and Co. for construction of great works in Courtenay Bay would be accepted and this, of course, helped his cause, as did the splendid reception given the Prime Minister. The speeches of Dr. Silas Alward, a one-time Conservative, had a strongly loyal character and a certain influence in the Province; the Rev. J. J. McCaskill, a Presbyterian Radical minister of St. John, made a somewhat heated campaign for Reciprocity and freedom; Colonel H. H. McLean and others claimed that the coming Valley Railway of Provincial construction would develop Maine more than New Brunswick; it was alleged that the very slow increase of population in the Maritime Provinces as a whole was due to the lack of United States markets and that in the Reciprocity period of 1854-66 the increase of population had been 230,000 as compared with 60,000 in the years of "high-protection," 1879-96.

Senator G. G. King made several speeches in New Brunswick for Reciprocity and Donald Fraser, a big lumberman of the Province, declared at Fredericton on Sept. 12th that "under Reciprocity the population of the Maritime Provinces will double inside of ten years"; it was claimed that under the old Reciprocity Treaty the trade of the Maritime Provinces grew from 17 to 82 millions. A much quoted argument also was based upon the Hazen Government's Commission which, in 1908, studied agricultural conditions in the Province and elsewhere and reported 3,500 vacant farms in New Brunswick with a decline in agricultural prosperity—all due, the Liberals now claimed, to the need of Reciprocity and the United States market. On the day of the Elections the St. John *Telegraph* had a vigorous appeal for support based upon a coming expenditure of many millions and with this conclusion: "Vote down the unholy alliance

between the Tories and the Nationalists—kill the black compact between Borden and Bourassa."

The Conservative contention was very largely one of national and Imperial considerations. In describing the nomination of put the Loyalist feeling in these words: "The reception given G. W. Fowler in King's-Albert (Aug. 11) the St. John *Standard* was partly due to Mr. Fowler's personal popularity but, in even larger measure, to the fact that he was the champion of the Union Jack and British connection as opposed to the Stars and Stripes and Yankee domination of Canadian affairs—the domination of a flag which, as one speaker aptly put it, was conceived in treason and born in rebellion." Mr. Premier Hazen spoke at a number of points during the campaign and he did not mince words at a meeting in Gagetown on Aug. 15th: "What benefit can the farmers of New Brunswick hope to derive from the markets of the United States, a country where the producers are at the mercy of the Trusts? The American Trusts are the prime movers in the campaign to secure reciprocity with Canada. The Trusts and the newspapers of the United States favour Reciprocity because they know it will give them control of our natural resources and ultimately tend to annexation." The Government's naval policy was unpatriotic and of no service to the Empire. In this and other speeches he referred to the St. John Valley Railway, about to be constructed, and dealt with the prolonged controversy as to Dominion Government subsidies for its construction. In this connection Mr. O. S. Crocket stated that he had "a letter from R. L. Borden giving his assurance that at the first meeting of the new Cabinet an Order-in-Council would be passed providing for the payment of the usual Federal subsidy to the St. John Valley Railway." On Sept. 11th Mr. Borden sent a Message to the people of St. John saying that the policy of the Conservative Party included "a thorough and efficient equipment of our national ports and terminals" —including St. John Harbour; and that the defeat of the Laurier Government "would not retard, hinder or prevent" the construction of local terminal facilities.

Speaking about the 90-million market cry at St. John on Aug. 23rd Hon. Robert Maxwell, of the Provincial Government, asked why the Liberals didn't describe conditions in Maine "where the farmers had access to the 90-million market and where the people had not made as much progress as they had in the Maritime Provinces during the past ten years." Hon. D. V. Landry, Hon. J. K. Flemming and other members of the Hazen Government spoke against Reciprocity and some great gatherings were addressed by Hon. George E. Foster in August with "Rule Britannia" as a favourite song. Of minor points at issue much was made of United States competition in potatoes. It was claimed that in 1910 14 States within easy reach of the New Brunswick market by rail and water produced 240,000,000

bushels of potatoes and B. Frank Smith, Conservative candidate for Carleton, told his Convention on Aug. 17th that the farmers of New Brunswick were now getting more for their potatoes than the farmers of Maine; that one of his best potato markets was Montreal, and that, under Reciprocity, the Montreal dealer would get his potatoes from New York, or else New Brunswick farmers would be compelled to sell at a lower price. The New Brunswick producer could never compete with the Texas cattle man or with the corn-fed pork of the United States. Prices would drop and profits would disappear altogether. The St. John *Standard* carried on an able fight against Reciprocity based upon an assured belief that the Government was going to be defeated and that Reciprocity involved a graduation of commercial union, continentalism, and annexation. Mr. Pugsley was strongly attacked, his promises ridiculed as useless and frequently broken, his statement in 1908 quoted to the effect that he joined the Laurier Government to aid in having "every pound of Canadian produce carried through Canadian ports." The future of St. John was declared to be safe under existing transportation developments and a possible Borden Government; Mr. Pugsley's personal pledges would no more be carried out now than they were in 1908. Reciprocity would, in any event, drive Canadian trade to the south instead of east and west *via* St. John and other ports.

In Nova Scotia the great issue was the alleged opportunity for enlarged markets. This had been emphasized in the Provincial Election by Mr. Premier Murray and many of his candidates and, though the result did not indicate as great a popularity as the Liberals had expected, it remained the central feature of the Dominion campaign of that party. The Halifax *Chronicle* was vigorous in its denunciation of Protection and in one article, quoted by the Toronto *Globe* of Aug. 7th, described the situation of the Maritime Provinces as follows: "High Protection, Canadian and American, has been sucking their life-blood" and, it added, "they have been steadily withering for over thirty years." It was claimed that the duty on fish going into the United States was not only a handicap on trade but that it was paid by the Nova Scotia fishermen. It was said in Liberal circles that feeling favourable to Reciprocity in the fishing, farming and fruit-growing regions was almost a passion and that in apples, as a concrete fact, 250,000 barrels would be sacrificed in the Annapolis Valley that season for want of the United States market.

Of the coal, iron and steel industry much was said as to the Conservative claim that they were menaced by Reciprocity and the abandonment of bounties. The *Chronicle*, which believed strongly in freer trade, came out early in favour of protection to this industry and, especially, to the wire-rod department of it—Jan. 26th, 1911: "When it comes to the maintenance of an industry in the success of which Nova Scotia has so large a stake, both

as regards the development of our coal mines, and the enlargement of our market for agricultural products, the interests of the Province should take the first place." It was claimed by the Liberals that it was impossible for Nova Scotia fish to ever find a market in the rest of Canada and that their natural market was in the United States to which, in 1910, $5,626,000 worth of Canadian fish exports were sent as compared with $1,700,000 to Great Britain; that the Agreement would open the valuable market of Porto Rico to Nova Scotia fishermen; that the general policy would develop its large gypsum resources and other mining interests. The members of the Provincial Government did not take as active a part in the contest as did most of the other Provincial Governments; and Mr. W. S. Fielding, for reasons of health and, later on, of uncertainties in his own constituency, did not make many speeches.

The Conservatives took very much the same line of argument as in New Brunswick and appealed primarily to sentiment and nationality. The Halifax *Herald* of Aug. 30th published a Supplement with headings as follows: " Veiled Treason "; " Perhaps Laurier and Fielding will tell the Sons of the Blood what it means "; " The Straight Road to Washington," etc. A pronounced effort was made to defeat Mr. Fielding in Queens-Shelburne and to elect G. W. Fowler—Messrs. Borden, Sifton and Foster all speaking in the latter's riding. Sir Charles Hibbert Tupper addressed a couple of meetings—one with Mr. Borden at Halifax and another for his old-time colleague, A. C. Bell, in Pictou. Vigorous appeals were made for support to the National Policy which had protected and developed the Iron and Steel and Coal industries and, without which, it was maintained, they could not live. It was pointed out that $50,000,000 were now invested in these great interests with 17,000 persons employed, and $8,500,000 paid yearly in wages; and that Reciprocity was the wedge which would surely shatter the whole frame-work of Canadian protection and industrial progress. On Aug. 23rd C. H. Cahan, K.C., of Montreal—once Leader of the Conservative Opposition in the Legislature—spoke twice in Halifax while C. E. Tanner, K.C., the present Leader of the Opposition, did much organizing work throughout the Province.

Prince Edward Island farmers appeared to the Liberals as natural supporters of Reciprocity and the United States markets to be for them a necessity. It was claimed that under the new conditions the Island would export more potatoes and fewer men and that every man of its 80 per cent. agricultural population would benefit by free admission to a great contiguous market. During the contest the issue was complicated by the Charlottetown *Guardian,* the chief newspaper on the Island, maintaining absolute independence and leaving the people very largely to personal canvass and the hearing of speeches. Conservatives maintained

that the Island's natural market was not the United States and that the free competition of the farmers of the United States, the farmers of the great Argentine Republic, and the farmers of 11 other foreign nations, not to speak of the farmers of the whole British Empire, was more than likely to bear down the prices of the particular foodstuffs the Islanders had to sell—especially live-stock. meat, eggs, butter, poultry, vegetables, etc.—out of which they had lately made much money in the Sydney, St. John, Halifax, Amherst, Moncton and other local markets. The potato argument was met by the fact that Canada in 1906 sent $131,890 worth to the United States and in 1910 $349,104 worth; while to Cuba its exports grew in that period from $377,140 to $606,680.

The Position of the Western Provinces in the Contest

Manitoba's share in the Elections centred in the active and earnest opposition of the Roblin Government to Reciprocity. Mr. Robert Rogers, Minister of Public Works, organized the Province for the Conservative Party and did it well; he had to face not only the Liberals but the keen sentiment of the Grain Growers Association in favour of freer trade. Mr. Rogers was Acting-Premier during Mr. Roblin's absence at the Coronation and was in Ottawa when Dissolution took place. To the press on July 31, he gave the key-note of the Manitoba fight—as it was also in Ontario. "When Election Day comes it will be a straight question of whether we continue our traditional policy of national and Imperial development or adopt the Taft policy of looking toward Washington and Continentalism." There were certain Provincial issues, however, and the greatest was the belief that if the Laurier Government could be beaten Manitoba would get the justice in its boundary contentions, and in the desire for control of its own lands and resources, which had so long been urged at Ottawa. On his way home to Winnipeg Mr. Premier Roblin told the press at Montreal (Aug. 13) that:

> Long before I went to London we had seen through this Reciprocity pact and what it meant. The people of Manitoba are British and not only intend to stay British, but to cultivate more intimate relations with the Motherland and seat of Empire. Our farmers turn toward the head of Empire while Laurier has once more turned his back on London and his face to Washington. Certainly we could regard it as nothing less than a calamity were this pact to go through. The Manitoba farmers know what the Winnipeg market means to them, and the difficulty that they have, even at present, in contending with the American farmers. The market season in the States is several weeks earlier than our own and we import produce of every variety from them in the spring. High prices prevail and when the local farmer comes along with his stuff he gets the same prices that the American has been getting; the duty and transportation charges on the American produce being clear profit to our own farmer.

Speaking at Beausejour on Aug. 26th Mr. Roblin appealed, almost passionately, to the resentment felt by Manitoba for its restricted territory and small subsidies: "Every vote polled for

a Laurier candidate is a vote polled to shackle Manitoba; to cripple her enterprise and to handicap her future; to prevent the widening of her horizon and keep her from that place in the Confederation of Canada that she should occupy by virtue of the industry, enterprise, and patriotism of her people." As to Reciprocity he dealt at length with its effect upon horse-breeding and raising which would be injured by the admission of cheap and inferior United States horses; upon the sheep industry in which, he contended, prices would at once be lowered; upon the dairy interests and market gardening interests which would suffer seriously and immediately from American competition. In the matter of cereals he was explicit; "Within ten days after the people of Canada have voted in favour of Reciprocity, if such a calamity should overtake us, the price of wheat at Duluth and Minneapolis will have gone down to the Port Arthur and Winnipeg price. I make that statement because I have an intimate knowledge of this grain business as a result of 20 years experience. I further make it on the broad principle that the price of wheat in America is made on the markets of the world, and not by the manipulation of the option markets at Minneapolis or Duluth."

The Provincial Premier followed this utterance with speeches at Winnipeg on Sept. 1, Gilbert Plains on the 2nd, Carman on the 4th, Morris on the 5th, Holland on the 6th, Elmwood on the 7th, Emerson on the 8th, Miami and Dauphin on the 13th, Morden on the 18th, and Virden on the 19th. J. A. M. Aikins, K.C., of Winnipeg, was not only a candidate in the Elections but a speaker at various points, as was Dr. W. J. Roche, a member of the late House. The latter spoke at Shoal Lake on Sept. 7th as follows: "First keep the home market. Many and many a time the farmer gets more in his own home market because he saves transportation charges. . . . If Liberal manufacturers go to the Laurier Government to get protection, the chances are they get it; if a Tory goes he will not get it. The tariff is made largely by political pull, and Mr. Borden has said that, in order to take it out of politics he will, if returned to power, appoint a Tariff Commission composed of expert men who will not be subject to bribes." Mayor Sanford Evans in Winnipeg on Sept. 1st said:

This is our country. We have a right, if our ideals are noble and worthy, that we should have those ideals and purposes realized and maintained. If people come to us it is our duty to persuade them until they see things that are right and best and work with us to realize them. At a time when this difficult task is with us the Government of this country, with no demand from the people, deliberately introduces to the hundreds of thousands of people who are not Canadian and are not British the idea that their material salvation lies with a foreign country. That is not right but it has been done; and these people are being educated to-day by Liberal speakers from end to end of the Prairies, that we cannot help them in Canada; that Great Britain cannot help them; and that the only country which can give them relief are the people of the south.

The Liberal brief in Manitoba was held by T. C. Norris, the party Leader in the Legislature; by J. H. Ashdown, the candidate in Winnipeg, and R. L. Richardson of the Winnipeg *Tribune;* by T. H. Johnson, M.L.A., J. H. Haslam, a one-time Saskatchewan Conservative, and Isaac Campbell, K.C. Two Winnipeg meetings were addressed by Hon. Walter Scott, Premier and Hon. J. A. Calder, Minister of Education, in Saskatchewan. Hon. Duncan Marshall, Minister of Agriculture in Alberta, and F. C. Wace, K.C., of Vancouver, were other outside speakers. Mr. Norris at the nomination of J. F. Greenway for Lisgar on Aug. 5th claimed that at present the United States maltsters used only Canadian barley for their export goods; and that under Reciprocity they would gradually get the whole of the 150,000,000 bushels required for home consumption, from Canada at high prices. Mr. Norris also spoke at Dauphin on Aug. 28th, Roblin on the 29th, Glenboro on the 31st, Treherne on Sept. 1, and Carberry on the 2nd. Mr. Ashdown, at Winnipeg on Aug. 25th, declared the United States market absolutely essential to the Western grain grower. "We are supposed this year to commence with 200,000,000 bushels and we will in a short time get the crop up to four, six, eight or ten hundred million bushels and it will then be an utter impossibility to ship the crop out of the country by the present channels." On the 29th and other occasions he reiterated the claim that Canadians paid the duty both ways. "The farmers will save hundreds of thousands of dollars on what they sell, and you will save hundreds of thousands of dollars on what you buy." The Free trade argument was used on Sept. 8th at a meeting of Icelanders. "What we want is to get the most possible for our products and buy at the lowest possible price."

Mr. Haslam argued that a free market in the United States would mean millions in the Canadian production of flax alone; that the admission of barley free would result in 100,000,000 bushels being raised in Saskatchewan within a few years; that American farmers were giving up the production of hard spring wheat and that under Reciprocity the whole supply would be obtained from Canada—Winnipeg *Free Press,* Sept. 8th. Much was said by Liberals in the Campaign as to the offer made by H. W. Hutchinson, of the John Deere Plow Company, to reduce his prices on implements if Reciprocity went through; Hon. Mr. Marshall of Alberta, on Sept. 7th, described some Ontario Conservatives as having "a triple-plated, double-distilled, superheated brand of loyalty"; Mr. Premier Scott of Saskatchewan (Aug. 28) in this connection said: "Was there any talk of Annexation in 1866, after twelve long years of Reciprocity? We are doing now with the United States a trade of $400,000,000, more than the whole of our trade a few years ago, and yet the tie which binds Canada to the Mother Country is as strong as ever." Meanwhile, the Manitoba *Free Press* had put up an able fight in

favour of freer trade in the present and in the future. On Sept. 21 it frankly confessed that Sir W. Laurier did not always go far enough but in order to make reform possible had "adopted the middle course on every question which arose"; it took vigorous ground against the alleged Borden-Bourassa alliance; it described the present struggle as one between "the influences that make for lower tariffs and reduced taxation and the forces of high protection." On Sept. 12th the situation was summarized as follows:

> **Canada comes to the cross-roads on Sept. 21st. One is the road to Democracy, to a larger and freer national life, to wider markets, to the greater happiness and prosperity of the plain people; to the application of the rule of government that the greater good of the whole nation must outweigh the desires of any one class. The other road leads to Privilege; to the administration of the country by a class in its own interests; to the exaltation of certain special interests; to high protection, restricted markets and trust domination. The Reciprocity agreement is but a step, and a short step at that, in the direction of economic freedom. It enlarges the opportunities for buying and selling with respect to but one class of goods—the natural products of our farms, forests and waters. Yet it is being fought with a fury unknown in our politics by the big interests. Against it are ranged the Canadian Pacific Railway, the banking interests, the meat packers, the canners, the brewers, the financial interests, the overwhelming majority of the manufacturing concerns. Fully 75 per cent. of the business institutions which employ labour are moving every nerve to defeat Reciprocity.**

The Saskatchewan campaign was a struggle on the Conservative side against great difficulties of which not the least was Mr. Haultain's speech in favour of Reciprocity during the March Session of the Legislature. Mr. Walter Scott, the Liberal Premier, did not allow the supposed favourable sentiment of his Province to lie dormant. He spoke at Regina on Aug. 29th with streamers around the hall of which the following are examples: "Reciprocity means a higher price for our Products and a lower price for our Necessities"; "Reciprocity will increase the price of Grains an average of five cents per bushel or $12,000,000 for Saskatchewan alone." He was at Estevan on Sept. 6th, at Melville on the 13th, and at Medicine Hat on the 16th, at Macleod on the 18th and Lethbridge on the 19th—the latter three points being in Alberta. He visited every constituency in Saskatchewan which the Conservatives were seriously contesting and had, on Aug. 21st, issued an Address to the Electors reviewing and summarizing the Western arguments for Reciprocity. In it he emphasized the fact of a single issue before the people requiring a specific and direct answer and his belief that Reciprocity was the greatest question presented to Canadians in half a century. He charged Mr. Borden and the Opposition with robbing the West of its proper representation in Parliament through a premature Dissolution; described the loyalty argument as a "contemptible reflection" upon the people of Saskatchewan—"We may remain

loyal while sending our flax crop over a high tariff wall into the United States but if the wall be removed and we obtain the consequent higher price for our flax we become disloyal"; described the Conservative alternative of inter-British preferential trade as having been disposed of by the British electors and supported only by a Unionist faction; dealt with the importance of a nearby market of 93,000,000 for grades of live-stock, oats, barley, fruits and vegetables for which the British market was said to be too distant; denounced the "let well enough alone" idea and claimed that had Canada possessed free access to the United States market for the past 25 years its population would now be 25,000,000.

Messrs. J. A. Calder and A. Turgeon of the Provincial Government also spoke at various places in favour of the Agreement. A. T. Hunter and J. H. Haslam of Regina, H. J. Powley of Weyburn, G. F. Root of Red Deer, George Headley, M.L.A., R. W. Boyle of Crossfield and F. C. Tate, M.L.A., were amongst the Conservatives who supported Reciprocity. R. Fletcher contested Regina as an independent Farmers' candidate with a platform which did not mention Reciprocity but demanded the Initiative and Referendum and won the support of the Conservative *Standard* of Regina; the *Farmer and Grain Growers Gazette* of Moose Jaw declared, early in September, that "the opposition to Reciprocity emanates chiefly from capitalists and monied institutions whose revenues are derived from the earnings of the farmers. Opponents of Reciprocity are to-day sowing seeds of disloyalty"; William Trant, Police Magistrate of Regina, and a free trader, resigned his position to campaign for the Laurier Government and to help in defeating R. S. Lake in Qu'Appelle in particular. The Regina *Standard* published a lengthy series of articles by John Hawkes reviewing the whole issue of Reciprocity in terms, upon the whole, favourable. He denounced the Annexation argument; declared that if J. J. Hill was coming north of the Line the C.P.R. was already south of it; thought the introduction of United States railway competition would reduce rates; believed Reciprocity might stimulate the milling industry; admitted that in wheat the United States was a competitor as well as a consumer and that American Trusts might manipulate and destroy the identity of Canadian wheat. The Regina *Leader* made a clear and able fight for Reciprocity and its views were very similar to those of the Manitoba *Free Press*. On Sept. 9th it said editorially:

Victory for Reciprocity and lower tariffs is now in sight if the farmers of the West remain true to their demand. The thing to do is to elect supporters of the Government in every constituency west of the Great Lakes, and not merely elect them, but send them down to Ottawa with such record majorities as to put a quietus to these continual demands for more and more from the Big Interests and at the same time pave the way for still greater tariff reductions.

The Conservative struggle in Saskatchewan was not an organized effort. R. S. Lake fought for his political life in Qu'Appelle and, in the end, lost; James McKay, K.C., put up a strong contest in Prince Albert against the late member, W. W. Ruttan, and succeeded. Mr. Premier Roblin of Manitoba returned Mr. Scott's incursion into Winnipeg by speaking for Mr. McKay at Prince Albert on Sept. 16th. Mr. T. C. Norris, the Manitoba Liberal leader, was at Togo on Aug. 30th. Mr. F. W. G. Haultain, the Provincial Conservative, was, of course, hampered in his action. To the Regina *Standard* of Sept. 1st he announced his intention to speak for Mr. Lake: "I am out to support him just as I am out to defeat the Laurier Government. There are other issues besides Reciprocity and some of them, in my mind, as important. I do not think it is incumbent upon leaders in a general election fight to determine what the main issue is. They may declare it is Reciprocity but in my opinion the record of the Government which has been in power forms the issue. The Laurier Government is on its trial and I, for one, am anxious to see a verdict against it."

On Sept. 5th he spoke at Francis, on the 6th at Indian Head. His objections to Reciprocity were as follows: (1) The British market is the coming market for Canada and controls the price of staple products; (2) the United States raises annually thousands of millions worth of the same products it is proposed to send them under Reciprocity; (3) the United States takes less of Canadian products than Great Britain and what Americans do buy is either exported or used to displace their own exported product. Upon these points he had received new light since the Resolution of March which he had supported because "it seemed at least to be a step towards tariff reform, which every man in the West wants, and that it opened up, or seemed to open, what would be a natural market for the people of the West."

Alberta was not so strongly favourable to Reciprocity as its sister Province. The northern and southern portions had certain diverging interests in the matter; ranchers had to be considered as well as grain-growers; towns such as Calgary and Edmonton were beginning to develop manufacturing industries; the mining interests had to be considered. Mr. A. L. Sifton, the Liberal Premier, made early preparation for the contest by going to Ottawa and re-opening the question of Provincial control of natural resources which the Provincial Conservatives of Manitoba, Alberta and Saskatchewan had for six years made their special fighting ground. To the Winnipeg press on Aug. 11th he made the following announcement: "I can say, positively, that the Dominion Government recognizes the principle that the Prairie Provinces of Manitoba, Saskatchewan and Alberta are entitled to their natural resources and that Sir Wilfrid Laurier has just as positively promised that they shall be given to them.

With the single exception of lands which are to be retained for free homesteads by the Dominion Government the natural resources of the Prairie Provinces will be handed over to their own administration. The only matter to be determined is what amount of revenue now allowed the Provinces in lieu of lands shall be continued, if any."

Mr. Sifton spoke at several places during the contest—notably at Calgary on Aug. 21st when he claimed that the United States market would develop the great mines of Alberta, increase its population in a short time to 4,000,000 and not affect a loyalty in its people which could not be influenced by dollars or trade. He was at Vermilion on the 25th, Vegreville on the 26th, Medicine Hat on the 28th, Lethbridge on the 29th, Taber on Sept. 1st, and at other points. Messrs. Duncan Marshall and C. R. Mitchell of the Government also took part in the campaign. In Macleod constituency the Conservative nomination went to John Herron, the previous member, who in his speech said: "I see a good many dangers in Reciprocity, but I see enough good in it to influence my choice. The greatest advantage, in my opinion, is that if the people do not find it to work out well it can be cancelled by a stroke of the pen."

The Chairman of the meeting, A. J. Robertson, also expressed himself in favour of Reciprocity, and this incident, coupled with Mr. Haultain's position in Saskatchewan, aided the Liberals not a little. On Aug. 9th the United Farmers Association of Alberta did what the Grain Growers of Manitoba and Saskatchewan had not done and took official action in support of Reciprocity. A circular signed by President James Bower, the Directors, and Secretary E. J. Fream, said: "We have carefully considered the situation and have decided that while Section 2 of our Constitution forbids our Association taking part in political action, yet in view of the coming Election being brought about by a direct issue raised by the organized farmers of Canada, namely freer trade, we consider it the bounden duty of every member of our Association to use his vote so that it will count in support of the issues we have raised. The time is too short for our Association to nominate candidates and the danger of dividing the vote favourable to Reciprocity is too great to take any risks and we, therefore, recommend that our members support the candidates, regardless of party affiliations, who will support the question which must be the main issue in this election."

Meanwhile, in Edmonton, a faction fight had arisen in Liberal circles. Mr. Oliver, Minister of the Interior, and member for Edmonton, was alleged to have acted in an unfriendly way toward Mr. C. W. Cross, an influential member of the late Rutherford Government; the Conservative press stated that the latter was responsible for some, at least, of the charges made by D. MacGillicuddy as to Mr. Oliver's alleged relations with Mackenzie and Mann;

he did undoubtedly aid in securing a nomination by the Liberal Convention of Edmonton on Aug. 16th for A. C. Rutherford, the late Provincial Premier, in place of Mr. Oliver and in passing a Resolution declaring that confidence had been lost in the Minister of the Interior. Mr. Cross, on the 17th, explained his position as follows: "I believe that Mr. Oliver was the predominant force in the agitation for preventing railway development in northern Alberta. If he can show me that he was not then I am prepared to support him. On this ground, chiefly, I take issue with him. Mr. Oliver stood for retrogression and Mr. Rutherford for progress in their respective railway policies. I would ask Mr. Oliver if he did not instigate the editorials of the Edmonton *Bulletin* asking members of the local Legislature to vote against the Rutherford Government." Mr. Oliver at once returned to his constituency, persuaded Mr. Rutherford to retire, called another Convention for Aug. 29, and obtained the nomination. Following this he campaigned the Province for Reciprocity and was at Fort Saskatchewan on Sept. 1, at Lloydminster on the 2nd, at Wetaskiwin on the 7th, at Lac St. Anne on the 10th, and at various other places.

The Conservative campaign centred in Mr. R. B. Bennett's spectacular fight at Calgary where his forceful speeches were the rallying point for much of the Alberta opposition to Reciprocity. A. A. McGillivray put up a vigorous contest against Dr. Clark in Red Deer while G. B. Campbell in Strathcona, and F. A. Morrison in Victoria, made strong efforts to break the force of the Reciprocity feeling. W. A. Griesbach won large support in Edmonton City against Mr. Oliver but could not meet the rural handicap. His address to the Electors denounced Reciprocity because it would confer no benefit upon the people and reversed the existing policy; because it would nullify Canada's policy of railway and canal building and promotion of inter-Provincial trade; because it would knit the Provinces to neighbouring States instead of to each other; because it would result in Annexation, destroy the expected Imperial commercial policy; place the farmers at the mercy of United States trusts and "financial panics, stringencies, booms, corners, and stock-jobbing operations." He concluded with this appeal: "As the Mother state grows weary with the burden of Empire she leans on us, as we have leaned on her; there is committed to us the privilege and the duty of preserving and perpetuating to the uttermost generation, the constitution, the traditions, and the glories, of this great Empire." The Conservatives were encouraged by the accession of E. H. Riley, a former Liberal member of the Legislature, and the Dominion Government's pledge as to natural resources was said to be doubtful but, if true, as being entirely due to Mr. Borden's prolonged struggle in Parliament for Provincial rights. It would be much more certain to come from a Conservative Government at Ottawa.

In British Columbia Mr. Premier McBride undertook to carry the Province against Reciprocity—and succeeded. Upon his return from England, on Aug. 3rd, he threw himself at once into the contest and told the Victoria press that he was confident of Mr. Borden's victory. As to British opinion: "It is felt that a building up of commercial unity of interest with the United States cannot but have the effect of colouring Canadian sentiment and inducing the people of this Dominion, unconsciously perhaps, but none the less surely, to view world questions and even British imperial questions, through American spectacles." On Aug. 12th he addressed a large gathering at Goldstream. He took strong ground in this and succeeding speeches as to the danger of United States absorption: "Are you going to stand firm by British connection, British liberty and British free institutions, or throw these over so as to pander to the many corrupt influences arising and fostered in the United States?" Canada's aim, continued the Premier, "should be to promote inter-Provincial and Imperial trade—something that is being built up at present. With the trade lines running north and south it is bound to affect, injuriously, our transportation from West to East, and that means that freight rates, instead of being lower, will increase. Then, as to the Liberal contention that Reciprocity will lower the prices of food products in Canada—I venture to say that after the first flush, when competition has been stamped out, and many Canadians are forced out of work, prices will be raised to as high, or higher a notch, than at present. Most of these things in the States are governed by gigantic Trusts and we will see them taking possession of Canada, and placing us under tribute."

At Duncans, on the 23rd, Mr. McBride asked if anyone had ever heard of Canada, in any business deal with the United States, either small or big, getting anything except the short end. He added this contention: "The kerbstone gossip in many cities across the border is to the effect that it is only a matter of time when the Stars and Stripes will fly from the Mackenzie River to the Mexican border, and from the Atlantic to the Pacific. The press of the United States betrays this impression, public speakers voice it, and there are the deliberate utterances of the United States President himself." The Premier was at Vancouver on the preceding day when he denounced Reciprocity as partly a scheme of J. J. Hill to rehabilitate United States centres, in which his railways were concerned, with the blood of Canadian trade; he spoke at Victoria on the 28th and at Nanaimo on the 29th where he appealed to all Canadians to keep their country for and in the Empire and to reply adequately to Champ Clark and others. At Esquimalt on Sept. 6th the Premier declared, with a full sense of responsibility, that "the Reciprocity pact means the ultimate disintegration of the Empire"; he was at Duncan again on the 7th.

THE HON. WILLIAM JAMES ROCHE, M.D., M.P.
Secretary of State of Canada.

THE HON. MARTIN BURRELL, M.P.
Minister of Agriculture.

In the new Borden Government, 1911.

Then followed an almost continuous campaign until Election Day. Accompanied by Hon. W. R. Ross for a part of the tour and by Hon. W. J. Bowser at other points, Mr. McBride spoke at Fernie on Sept. 11th, Cranbrook on the 12th, Nelson on the 13th, Revelstoke on the 15th, and Kamloops on the 16th. Returning from the Interior he was at Vancouver on the 19th and at New Westminster later in the day; and at a closing rally in Victoria on the 20th. At Cranbrook his speech closed with a vigorous statement: "How did we secure the broad lands of Canada? Was it through the kindness or the generous advice of Uncle Sam? By no means. We owe everything in the way of material estate that we possess to the foresight and energy and bravery of the sons of the Union Jack. . . . Will you permit 8,000,000 Canadians to go into competition with 90,000,000 keen and, perhaps in some respects, unscrupulous Americans? I say take no chances with your national life; take no chances with your flag; but stand together for one King and one Empire." Various addresses were delivered by Hon. H. E. Young, Hon. T. Taylor, Hon. A. E. McPhillips and other members of the Government and by Hon. D. M. Eberts, Speaker of the Legislature. G. H. Barnard, the Conservative candidate in Victoria, pledged himself to the following platform:

(1) To make a vigorous fight for the construction of the Pacific Coast ships of the proposed Navy at British Columbia shipyards; (2) To obtain adequate appropriations for Harbour improvements including the construction of a breakwater—even should it cost $2,000,000 or more; (3) To secure a new Post Office for Victoria and increased Postal remuneration for employees; (4) A more effective Fishery protection and larger cruisers; (5) Restoration of the fortifications and naval strength of Esquimalt and a higher scale of wages in the Naval and fishing services; (6) Absolute enforcement of the Alien Labour Act, maintenance of the $500 Chinese head-tax, consultation with Labour organizations, opposition to any relaxation of Immigration Laws; (7) A Dominion bonus to all legitimate Railway undertakings in British Columbia; (8) Opposition to Reciprocity and maintenance of British connection first, last and all the time —until Canada becomes the predominant power in the greatest of Empires.

As to local issues the Hon. William Templeman, Minister of Mines and late member for Victoria, was strongly attacked for alleged relaxation of the immigration regulations; for an alleged proposal to abolish the head-tax on Chinese; for the failure to provide for construction of any Canadian war vessels on the Pacific coast; for the failure to maintain the garrison and fortifications at Esquimalt in a state of efficiency; for inadequate protection of the fisheries from American poachers. The fruit-growers were earnestly appealed to and a carefully written pamphlet by R. E. Gosnell, after dealing with the greater issues said to be involved, pointed out that this industry was dependent upon the Western Provincial market, which would be opened to United States competition, and that in Oregon and Washington the Fruit

industry was old and established and financially strong—with production on a large and specialized scale. As to Mining it was claimed by those concerned that a Reciprocity which permitted the free entry of lead-ores into the United States without including pig-lead and lead bullion would draw away Canada's raw material and destroy the British Columbia Smelting industry. It was claimed that Immigration would be checked, wages reduced, agriculture injured and the Province brought under the immediate financial and commercial control of the United States. Incidents of the campaign included the retirement of G. H. Cowan, K.C., from the Conservative candidacy in Vancouver; the claim that the Liberal policy as to Chinese was the adoption of an arrangement similar to that with Japan; the allegation, supported by newspaper data, that the Dominion Immigration officials were admitting Railway labourers in contravention of the Alien law; the accession of J. Herrick McGregor to the Conservative ranks; the emphasis laid on the patriotic appeal, as at the Victoria meeting of Sept. 11th, where one banner bore Mr. Kipling's apostrophe to the Flag and another bore the Union Jack and the Stars and Stripes with the question, "Which?"

The Liberal position was a difficult one in this Province. Mr. Templeman, Minister of Mines, had to bear the burden of a close local contest and the Provincial blame for anything in the Government's policy which happened to be unpopular. He arrived at Vancouver on Aug. 14th and told the press that he was very confident. "There is no doubt as to the verdict of the country. The best information confirms the view of Sir Wilfrid Laurier, that the next Parliament will contain a larger number of Liberals than the late one. This view is not a guess, nor is it arrived at haphazard. It is based upon a careful canvass of the situation in every constituency in the Dominion." On the 16th he accepted the candidacy for Victoria and thenceforward fought vigorously throughout that riding. At Esquimalt on the 29th he met the allegations as to local neglect by stating that "in order to put Esquimalt in the position it should enjoy the Government decided some little time ago to subsidize a dry-dock of large dimensions. A contract was entered into with the B. C. Marine Railway Co. whereby the Company agrees to build a dock 900 feet long and 100 feet wide at a cost of $2,600,000 for which the Government has promised to pay a subsidy of 3½ per cent. yearly for 35 years. In other words this is a bonus to the Company of $91,000 annually for 35 years." In Victoria on Sept. 6th he denied the stories as to Alien labour and claimed that it was the duty of the Provincial authorities to enforce the law and prosecute offenders. He admitted some modification in the Immigration regulations.

On Sept. 14th correspondence was published between Mr. Templeman and the Minister of Public Works at Ottawa. On the 9th the former had wired that he proposed announcing that

"the Government will make Victoria a Port of the first class by building a breakwater and deepening the outer and inner harbours to accommodate all shipping" at a cost of $3,000,000 and with an annual expenditure of $500,000. Mr. Pugsley answered that he had consulted the Premier and would endorse these proposals. The Minister's Manifesto of the 14th dealt with this project and the future of Victoria when the Panama Canal should be opened. In a circular to the women of the constituency Mr. Templeman (Sept. 17th) took concise ground in the matter of prices: "Under the Reciprocity Agreement food products such as are enumerated in the enclosed lists will, when the Agreement is ratified, be admitted to Canada free of duty. This should have the effect of greatly reducing the cost to the consumer and every good housewife should be able to buy everything for the family table which she did before and still have a considerable sum left for pin money."

Throughout the Province the chief Liberal arguments were that Reciprocity would lessen the cost of living and benefit the consumer (*Times,* Aug. 30); open a market for fish, and make that industry the greatest in the world; increase the rate of wages through increased demand for labour. The Victoria *Times* put the issue strongly on Sept. 16th: "So, the fight for trade liberty is to be turned into a fight for personal, civil and political liberty—a fight to determine whether Canada's policy is to be determined and her destiny settled by a race of free-thinking and free-voting men, or dictated by a group of industrial slave-holders to an army of enfranchised menials." Cheaper meats, fish and vegetables was the slogan of the party; they were helped in Victoria and elsewhere by J. S. Cowper, Editor of the Prince Rupert *News,* and F. T. Congdon, K.C., late M.P. for the Yukon, who had spoken in various Western towns and had accepted re-nomination at Dawson.

Transportation Interests and Reciprocity

During the Elections and in the earlier part of the year the relation of the Railways to this Agreement was most widely discussed. Mr. J. J. Hill was pictured by opponents of Reciprocity as a huge octopus reaching out to grab Canadian trade and compete dangerously with Canadian railways and a vast traffic was in future to be carried south instead of east and west. According to the Buffalo *Courier* of Apl. 20 it was estimated that "there will be an increase in receipts of 200,000,000 bushels of grain at this port if the Reciprocity treaty is adopted and the Buffalo elevator interests act in concert"; the American Association of Railway Claims meeting in Montreal approved Reciprocity by special motion; the Washington Congressional Hearings on Reciprocity in May included statements by Mr. Collins, of the Minnesota *Agriculturist,* and others, that the Great Northern and Mr. Hill were backed by unlimited Transportation wealth in pushing Reci-

procity to the front; President C. S. Mellen of the New York, New Haven and Hartford Line speaking (Feb. 17) as to its acquisition of certain interests declared that "the proposed treaty of Reciprocity between Canada and the United States has largely influenced those in control of the properties to make this investment, because of their hope to secure a larger participation in revenue from this business and because of the trade of the Port of Boston."

The Winnipeg correspondent of the Toronto *Star* on Feb. 8th analyzed Mr. Hill's projects as follows: "The main line of the Great Northern, if built, would run from Winnipeg to Brandon, crossing the Portage branch south of all the present main lines of the three Canadian roads and would continue west to Regina and Moose Jaw *via* an air line crossing the C.P.R. main line at or near Elkhorn. Numerous branches would also probably be constructed to cut into the wheat trade of the Dominion. These would run for the most part north and south and mostly through Canadian Pacific territory." The *Wall Street Journal* of Feb. 3rd was explicit in stating that Mr. Hill's Great Northern had been developing with a view to getting more Canadian business. "Its branches into Alberta and British Columbia promise to gather a rich tonnage, with the possible removal of the tariff on Canadian wheat, and further branches crossing the border will undoubtedly be built."

In Canada it was pointed out that the three great Railways of the Dominion recognized the Labour unions which the Great Northern and Northern Pacific did not do and, it was claimed, paid higher wages and had better rules of promotion; in the Commons on Mch. 2nd the Minister of Railways stated that the Great Northern already crossed the boundary line at 15 Western points whence, it was asserted, Canadian products under Reciprocity would become lost to Canada in a labyrinth of Hill lines and would naturally flow through United States channels to American ports. The Boston *Transcript* of Sept. 14th described the Iowa Central, and Minneapolis and St. Louis, Lines as awaiting Reciprocity in order to find some kind of entrance to the Canadian West. It was also stated that there were 200,000 railway employees in Canada and that a re-adjustment to meet new Continental conditions would put many of them out of work. The Toronto *News* (Sept. 14) used this argument:

> **The Canadian railways would be the stub ends of American systems. That narrowness of our country, against which we have always repined and to repair which we have resorted to such heroic measures, would assert itself. Our traffic would make a short run to the frontier and then be on American soil. Who would be employed on the American railway—the American or the Canadian railway man? Speaking broadly the subsidiary and dependent industries would tend to grow on the American rather than on the Canadian lines, at the great centres rather than on the stub lines.**

It was asserted that Railway building east and west would be checked, that the employment represented by an expenditure of $135,000,000 on new lines of that kind in five years would be greatly lessened, and that branches of United States lines in Canada would be handled and manned by Americans. On the other hand Liberals declared that the greater United States railways were now east and west lines and did not seem to fear the competition of Canadian lines of the same character, that if branches could be run north they could also be run south and that at present the balance actually was with Canada—a mileage of 1,485 United States lines in Canada and 7,197 miles of Canadian railways in the United States. But, so far as the press and people were concerned, more was heard in Canada of United States railway competition than of Canadian railway advantages under Reciprocity. Some of the more important utterances in this regard were as follows:

Feb. 1.—The *Financial Review* of New York says: "Canadian opinions on the proposed Agreement vary widely. It is evident, however, that if it goes into effect practically all of the wheat of Western Canada will be drained into the American mills in adjacent territory. James J. Hill and his railroad interests will benefit for, during the last few years, he has been tapping Western Canada with feeder lines connecting with the Great Northern and these will be the means of carrying the wheat south. Canadian railways will be heavy losers, for they will be without the long haul to Fort William and Port Arthur during the navigation season, and to the Pacific Coast during the Winter."

Feb. 1.—J. J. Carrick, M.L.A. for Port Arthur, says in the Toronto Press: 'We' have $15,000,000 invested in Grain Elevators at Port Arthur and Fort William and the whole Western portion of the Dominion pays tribute to us because we are situated at the head of the Lakes. Then, the railroads assist very materially in the growth and development of the two cities and a very large amount is paid out in wages every year. Under the new Agreement, if it is carried, all the wheat will be shipped to Minneapolis and St. Paul, or to the United States markets by way of Duluth, which means that we might as well take our Elevators and dump them in the Lake."

Feb. 4.—Sir Donald Mann, of the Canadian Northern, in a long interview in the *Financial Post* of Toronto makes this statement: 'Going south through the United States wheat for export would have to pass over three or four lines of railways, and thence by independent vessels to European markets. This through rate which is necessarily low would be divided among three or four transportation companies, making it impossible to compete with Canadian through lines. Depend upon it Canadian railways, handling natural products of the West for export, will retain the traffic on their own tracks and in their own vessels to destination."

Feb. 3.—In the *Standard of Empire* Sir Wm. Mackenzie of the Canadian Northern says: "I am convinced that this arrangement with the United States is antagonistic to the best interests of the Dominion and that the majority of business men throughout the Dominion share this opinion." He asserts that it may not seriously affect the British preference though diverting

trade—especially in dairy products—to the United States. The claim of the Radical press as to its being a victory for Free-trade was described as nonsense.

Feb. 6.—The London *Times* contains an interview with Sir William Mackenzie of the Canadian Northern Railway, in which he makes these statements: "Some of the details of the Agreement are good and some are bad. The Maritime Provinces will be glad to see the American duty on Canadian fish abolished; and probably the dairying interest of Eastern Canada will get some advantage. But I do not see that any single industry will gain largely, and if our food products do get higher prices by the opening of the American market, we shall see the cost of living in Canada correspondingly increased; it is high enough already."

May. 11.—In the *Canadian Gazette* of London C. M. Hays, President of the Grand Trunk Railway and the Grand Trunk Pacific, says of Reciprocity: "Well, I am a railway man, and not a politician, but it seems to me that it will be a good thing for Western Canada, and the prosperity of the West aids in the prosperity of the East. It will, I think, mean an impetus to settlement, and settlers need manufactured products from the Eastern provinces. There is no question to my mind of the Eastern manufacturers suffering from closer relations with the United States."

Sept. 19.—In the Winnipeg *Free Press* Sir William Whyte of the Canadian Pacific Railway states that: "With the exception of the 1886 Election, which was held when the Railway was in an incomplete state, the Canadian Pacific has been neutral in every campaign and it is absolutely neutral in this campaign. Every employe of the Company is free to vote as he chooses."

INCIDENTS OF THE RECIPROCITY CAMPAIGN

Feb. 1.—The *Canadian Mining Journal*, Toronto, finds much that is good in the Agreement. "If, as will probably be the case, these changes crystallize into actuality, then the mining industry of Canada will have received a strong stimulus. It will be noticed that amongst other minerals gypsum, feldspar, fluorspar and talc, both crude and ground—except in the case of gypsum where only crude is admitted free into the United States although both crude and ground are admitted here—are now reciprocally free. This means much to all of Eastern Canada and will probably affect, favourably, Alberta and British Columbia."

Feb. 5.—Rev. Canon F. G. Scott of Quebec speaks there with deep feeling as to Reciprocity: "Were this to be the last sermon I should ever preach from this sacred spot, my voice would be raised to-night in the warning that should come from every preacher's lips that this step, which we are invited to take at this time, is one which leads inevitably to the denationalizing of Canada and its final absorption in the American Union."

Feb. 6.—The St. John *Standard* (Cons.) makes this point as to the Fisheries and Reciprocity: "When we have 20,000,000 people we shall call for probably five times, ten times, as large a supply for home consumption and we shall have less to sell to others. We have, therefore, to consider carefully the effect of giving a free call upon our Canadian resources to 90,000,000 people, increasing at the rate of several millions per year. This call will stimulate fishing operations, increase the output and make vastly greater and more destructive demands on the supply. The result will certainly tend to exhaust our fisheries, to

increase the cost to Canadian consumers, and may ultimately deprive the masses of an important cheap food supply."

Feb. 8.—At the annual meeting of the Ontario Holstein Dairymen's Association, Toronto, General Wood, President of the United States Association, tenders to the members "the greetings of 100,000,000 people, who are overjoyed to know that an imaginary tariff line between people of the same blood, the same fathers, whose every interests are identical, is about to be obliterated and torn down."

Feb. 21.—The Toronto *Globe* makes this point for Reciprocity: "The inter-dependence of the two countries is far more intimate than is generally supposed. It is not merely in regard to hardwood lumber that we depend on our neighbours to the south. High class steel, coal, cotton, tobacco, oils, chemicals, corn for feeding purposes, fire clay, and the raw materials of dozens of the most important industries of the Dominion come from the United States. The drain of 'raw materials' is not all from the north to the south."

Feb. 22.—Hugh Guthrie, K.C., M.P., (Lib.) speaks eloquently in Buffalo—these words being "sanctioned and approved" by the Prime Minister of Canada: "If it be a political rather than a fiscal change which your people desire in dealing with Canada any arrangement founded upon such a misunderstanding would be inevitably and irretrievably wrecked from its inception. Even if such an arrangement should, in the first instance, receive Parliamentary sanction in Canada, its existence, its duration, would not measure a twelve-month, nay, not a single month. The whole fabric would be smashed to atoms—smashed upon those rocks with which your own fair country is so fully equipped and so nobly surrounded; those rocks, aye, those everlasting hills, which abound in Canada wherever Canadians are to be found; those rocks and hills of patriotism to the great land of our birth, of attachment and respect to the whole British Empire, of devotion and loyalty to the dignity and splendour of the British Crown."

Feb. 23.—Mr. R. E. Kingsford, of the Canadian Defence League, at a Toronto meeting says: "I feel prepared to do almost anything, even to fighting in the streets, to prevent Reciprocity going through."

Feb. 25.—The Montreal *Herald* contains a lengthy and clever article by Talbot M. Papineau treating, in a vein of strong sarcasm, the views of those who fear Americanizing influences in Canada. Canada must be saved, United States immigrants must be kept out, American goods should be boycotted, international marriages prohibited, College fraternities dissolved, American Professors in Universities discharged! Easter shopping by Canadians in New York should be discouraged, American magazines forbidden, no lower United States duties on Canadian goods permitted! "We call upon every man, woman, and child, in Canada to pray to the God of England that we are not sold into Babylonish captivity, to pray for the confusion of our American enemies, to pray that Canadian wheat be shipped to the mills of England and not to those of Minneapolis and St. Paul, and that the Canadian people be not the hybrid product of many nationalities but the legitimate offspring of pure blooded Anglo-Saxons."

Mar. 10.—Leading women in Montreal organize a Woman's Branch of the Anti-Reciprocity League with Mrs. S. W. Ewing as Secretary and sign a petition to the Government saying that Reciprocity means Annexation, injury to home life and the marriage tie, a lessening of national religion, morals and patriotism.

Mar. 23.—A writer in the Montreal *Star* expresses this opinion as to Fisheries and the Agreement: "In 1861 when the Reciprocity Treaty had been in operation for seven years, and the outbreak of the Civil War had sent prices away up, the products of our largest fishery, that of Nova Scotia, amounted to $2,376,721. In 1869, three years after the Reciprocity Treaty had been abrogated, the Nova Scotia product reached a value of $2,501,507."

Apl. 10.—The Customs Court at Washington holds in effect, and through an indirect issue raised, that "the so-called 'favoured nation' clause of the existing commercial treaties with England, France and Germany, does not restrict the United States in effecting the proposed Reciprocity agreement with Canada."

Apl. 17.—The Hon. George E. Foster, M.P., in North Toronto, makes this remark: "Did you fight geography to make a Confederation? Then fight geography to keep a Confederation."

May. 29.—In the Montreal *Star* of this date, and in other Canadian papers during the ensuing month, Mr. A. Moresby White of London, England, declares the unity of the Empire to be at stake in the Reciprocity issue, denounces the British Ambassador at Washington (Mr. Bryce) for selling British interests, and believes that Canada has a greater destiny than to be merely a vast wheat-field.

June 13.—In a charge delivered to the Synod of the Church of England Diocese at Kingston Bishop Mills says: "Those who think that the national spirit of Canada is such a poor and uncertain thing that her existence as a nation would be imperilled by an increase of trade with the United States do not know her. There is no part of the British Empire in which there is a truer loyalty than in Canada and she can be neither bought nor sold. The opposition to Reciprocity is simply a political one. There are men of both parties opposed to it simply because men can be caught by a cry and can be led by sentiment. The thought of annexation makes many incapable of calmly judging the matter."

June 16.—In connection with a visit of the National Federation of United States Millers to Toronto M. H. Davis, Commercial Adviser of the United States Department of State at Washington, speaks eloquently of the peaceful, friendly influences of closer trade relations and concludes as follows: "Now another step in world progress, in advanced prosperity to both countries, has been reached by the conviction that even the commercial bars which separate the countries should be materially reduced. We hope to see the artificial wall erected by the two countries reduced brick by brick until in time, as a commercial barrier, it is absolutely extinguished. We hope you will help us reduce it more and more."

July 19.—Ex-Governor W. L. Douglas of Massachusetts tells a St. John newspaper that: "In matters of trade I don't think there should be an imaginary line between the two countries. It is pleasing to note that the protective interests in the United States are growing weaker."

Aug. 11.—Mr. D. B. Wood, a prominent Liberal miller of Hamilton, explains to *The Globe* why he supports Reciprocity: "I have a good knowledge of farms and farming conditions in these countries and the fact that Reciprocity will not seriously affect the protective principle as applied to manufactured products, but will take down a barrier to all products of the farm, makes it the biggest and best legislation ever introduced in this country. The fact that there are 40,000,000 or 50,000,000 consumers, a large part of them consumers of what we grow, and that we are so near them that we can place our goods in their markets within twelve or fifteen hours by express and in twenty-four

by freight, makes Reciprocity the biggest and best thing ever offered to a producing country like this."

Aug. 23.—The *Grain Growers Guide*, Winnipeg, says, editorially: "The manufacturers of Canada believe that in opposing Reciprocity they are fighting for the retention of the protective tariff. They believe, and rightly, that once the bogus protection is removed from the farmers that it can never be kept for the manufacturers."

Sept. 1.—In the *Canadian Mining Journal* A. B. Wilmott, M.E., of Toronto, considers that Reciprocity would be beneficial to coke, gypsum and talc industries, hurtful to coal and salt. As to coal he says: "The proposed arrangement has done nothing to increase the markets for the Western operators and has, without any compensating advantage, lessened the market for the Eastern producers. It would seem that a true reciprocity would have brought about a reduction of 8 cents a ton on the American duty as well as on the Canadian. The loss of the Canadian trade in the St. Lawrence Valley would then have been offset by a gain for the Canadian producers in the Crow's Nest Pass district."

Sept. 1.—The *Canadian Municipal Journal*, Montreal, opposes Reciprocity: "Will the American manufacturers—believing, as all sane men do, that the present measure of Reciprocity will lead to further tariff reductions—continue to establish Branch factories in Canada, thus improving industrial conditions here? Or will many of those already built be closed down by the Trusts, thus bringing disaster in the places where they are situated and which in many cases have bonused them? If Canada, by a further revision of the tariff, is put under the tyranny of the United States Trusts many manufacturing places will lose these branch factories and this will lead to a depleted population, empty houses, and higher taxes."

Sept. 2.—The Toronto *News* defends Conservative acceptance of aid from Mr. Bourassa and the Nationalists on these grounds: "It is thoroughly understood all over the British Empire that no progress will be made in Imperial organization so long as Sir Wilfrid Laurier remains Premier of Canada. When he disappears from office progress towards a sane and strong Imperialism will be possible and may be expected. Every ounce of trouble that befalls Laurier is a help to the cause of the British Empire. What matters whether trouble comes from the spirit which he nursed, which he deliberately invoked, from which in his day he wrung every drop of profit, but which has got beyond his control? His difficulties with the anti-British temper of his countrymen are his own affair."

Sept. 8.—Mr. Watson Griffin, of Montreal, says in *The Star*, regarding the Nickel industry that "as it is, the rough cheap work is done in Canada while the costly process of refining, in which highly paid skilled labour is employed, is done in the United States. The Americans would like to see the same policy applied to all Canada's natural products, and Sir Wilfrid Laurier says 'that is reciprocity in a nutshell.'"

Sept. 8.—At London, Ont., a remarkable scene occurs when the General Synod of the Church of England in Canada, clerical and lay delegates alike, break out into a tumult of applause at the following remark of Mr. W. R. Butler, representative of the United States Episcopal Church: "We already have perfect reciprocity in the things that are best and so far as I am concerned I say let well enough alone."

Sept. 13.—At the Monument National, Montreal, Hon. R. Lemieux, Minister of Marine, reiterates his expressions of British loyalty: "I

repeat what I have said in Ontario, and elsewhere, that if there is a part of the British Empire directly interested in maintaining the supremacy of Great Britain it is the Province of Quebec. Have we not the right, as Catholics, to defend the flag which protects these rights of ours—the British flag which symbolizes justice, tolerance and liberty?"

Sept. 13.—Mr. Henry Joseph, a prominent Jew of Montreal, expresses public appreciation of Great Britain's treatment of his race and deprecates the inequality of races in the United States: "For my part my sincere conviction is that our truest and safest course is to hold fast to what we have, to the security and prosperity, to the rights and privileges, that we now enjoy under the British flag. I cannot see how any one of our people can vote for Reciprocity which draws us more closely to the United States."

Sept. 15.—At Calgary the Trades and Labour Congress votes down by a large majority a clause in the Executive Report approving Reciprocity.

Sept. 16.—Mrs. Henry Joseph addresses a large gathering at a garden party in Montreal and says: "There can be no doubt that Reciprocity is the thin end of the wedge and eventually means nothing but annexation. The Union Jack is good enough for me and I have no wish to exchange it for the Stars and Stripes and that is just what it means in the end."

Sept. 17.—The Montreal *Gazette* has this report of part of an address by Mr. Bourassa at Victoriaville: "Mothers," he cried, addressing himself to a large number of women who occupied the grand stand, "you have a right to see that no Government be permitted to pass laws (in the Navy matter) destining for death those children whom you brought forth for the country."

Sept. 17.—The Rev. Canon L. N. Tucker in St. Paul's Cathedral, London, Ont., denounces the Agreement: "Reciprocity is the turning point not only in the history of the Dominion, but of the whole Empire. Canada's resources are inexhaustible and practically unexplored, and we are being asked to enter into an alliance with a nation that has not only run through its resources and exhausted them, but has 92 millions of population to our 8."

Results of the Election; Defeat of Reciprocity

As the campaign came to an end both Parties expressed certainty; it seems evident that the Liberal Leaders felt very uncertain and the Conservatives very hopeful. Sir Wilfrid Laurier had made a great fight and like Mr. Borden, in 1904, had made it largely alone. His colleagues did what was possible but were compelled with two or three exceptions to keep to their own constituencies. The Opposition Leader had, on the other hand, abundance of support in Provincial leaders such as Whitney, McBride, and Roblin, free lances like Bourassa, Liberals such as Sifton and White, non-political leaders like Van Horne, financial chiefs such as Walker. In the last days of the fight the Conservative appeal to national sentiment was tremendous. "A vote for Borden is a vote for King and Flag and Canada," said the Toronto *World* on Sept. 20 in words running across its front page; "Empire or Continent, Which?" it had asked in a Sunday issue over a full page cartoon; "Vote against National Suicide" demanded the Toronto *News* of the 19th. From Edmonton came

in beautiful words, on the night before Election, an appeal which in other forms or phrases, found expression everywhere. In his final call to the people of that city W. A. Griesbach said: "You are given an opportunity to say that the flag under which we stand is good enough for us. The people of this country have felt the touch in this election of a vanished hand and there has stolen into the hearts and minds of us all the echo of a voice long since stilled in death—the still small voice from the sacred shadow of that grave in Kingston. I still hear it and the course is clear to me: 'A British subject I was born, a British subject I will die.'"

Election Day was also preceded by minor incidents which must be given passing mention. In Winnipeg there was a charge of corrupt practices against a Liberal worker and his arrest on Sept. 20 by Provincial constables; there had been allegations by Hon. R. Rogers on Sept. 15 as to the voter's Lists being stuffed with many bogus names. In Edmonton the Conservative candidate against Mr. Oliver read affidavits at a large meeting on Sept. 11 claiming that falsified ballot boxes had been distributed in the outer part of the constituency; at London the General Synod of the Church of England (Sept. 14), through its House of Bishops, issued an appeal to the people urging political purity in the coming elections as being an essential of national greatness; the Montreal *Herald* of Sept. 12 claimed that seven Conservative candidates in the Montreal district were in favour of Reciprocity; in St. John, on Sept. 16, the Chief Engineer of the Grand Trunk Pacific commenced surveys on the Tunnel site at Courtenay Bay; on Sept. 14th it was announced that the Chief Accountant of the Department of Railways had reported in favour of a $30,000 increase in salaries on the Intercolonial Railway; at Sussex, N.B., it was announced on Sept. 20 that the long-discussed construction of the Salisbury and Albert Railway would be commenced at once, that the rails were then being shipped, and the Agreement executed.

In Quebec East, it may be added, Sir Wilfrid Laurier was declared elected by acclamation but later on the opposing or would-be candidate (Rene Leduc) took an affidavit, and so advised the Premier, that he had been drugged and induced to sign his resignation as a candidate when in that condition. Sir Wilfrid at once announced that if the statements were true he would resign and seek re-election. Subsequent trial proceedings indicated the falsity of these allegations. In Two Mountains J. A. C. Ethier (Lib.) was declared elected by acclamation owing to the Opposition candidate (G. A. Fateaux) having faulty nomination papers. In the Thunder Bay riding of Northern Ontario it was announced by the Returning Officer on Sept. 7th that the election would be postponed to Oct. 12. There were strong protests and it was claimed that this action was due to the expected defeat of James

Conmee, the late sitting Member. Mr. W. M. German, a Liberal opposed to Reciprocity, was elected by acclamation in Welland.

As to the expectations of the parties Mr. Pugsley, Minister of Public Works, announced in St. John on Sept. 20 that reports from all over the Dominion indicated a large Liberal majority; the Montreal *Herald* in a review of all the constituencies on Sept. 2 gave a net Conservative gain of one in Ontario and 3 in Quebec with a net Liberal gain of 5 in the West and a total gain in the whole country of 3 and, on Sept. 20, it published an estimate of 48 Liberal majority; the Toronto *Star* of Aug. 22nd expected a Liberal gain of 9 seats in the West with the Conservatives winning 17 out of 65 Quebec seats. The Conservatives did not say very much in this connection but Fred. Cook of Ottawa in the Edmonton *Journal* (Sept. 19) estimated 27 Conservative majority; the Toronto *World* figured out a possible 17 majority; Mr. Clifford Sifton. on Sept. 19th, stated that the Government would be beaten and that there was not a single seat safe in Ontario for Reciprocity; C. R. Hosmer of Montreal stated on the authority of telegrams from every part of Canada (Sept. 21) that Mr. Borden would win by 29 majority. The majority for Sir Wilfrid Laurier in 1896 had been 34, in 1900 53, in 1904 52, in 1908 47 and it is safe to say that no one really expected the tremendous change which actually took place. The following List gives full particulars of the result:

ONTARIO.

Constituency.	Liberal Candidate.	Conservative Candidate.	Member Elected.	Politics.
Algoma East	J. L. Regan	W. R. Smyth	W. R. Smyth	Cons.
Algoma West	C. N. Smith	A. C. Boyce	A. C. Boyce	"
Brant	Hon. W. Paterson	J. H. Fisher	J. H. Fisher	"
Brantford	T. H. Preston	W. F. Cockshutt	W. F. Cockshutt	"
Brockville	Hon. G. P. Graham	John Webster	John Webster	"
Bruce North	John Tolmie	Col. H. Clark	Col. H. Clark	"
Bruce South	R. E. Truax	J. J. Donnelly	J. J. Donnelly	"
Carleton	D. H. McLean	E. Kidd	E. Kidd	"
Dundas	J. A. Campbell	A. Broder	A. Broder	"
Dufferin	D. B. Brown	John Best	John Best	"
Durham	T. A. Kelly	C. J. Thornton	C. J. Thornton	"
Elgin West	D. Macnish	T. W. Crothers	T. W. Crothers	"
Elgin East	Dr. F. H. Miller	David Marshall	David Marshall	"
Essex North	Dr. P. A. Dewar	O. J. Wilcox	O. J. Wilcox	"
Essex South	A. H. Clarke	Dr. Fred Parke	A. H. Clarke	Lib.
Frontenac	R. H. Farr	J. W. Edwards	J. W. Edwards	Cons.
Glengarry	J. A. McMillan	D. McMartin	J. A. McMillan	Lib.
Grenville	S. J. Martin	J. D. Reid	Dr. J. D. Reid	Cons.
Grey North	F. W. Harrison	W. S. Middlebro	W. S. Middlebro	"
Grey South	H. H. Miller	R. J. Ball	H. H. Miller	Lib.
Grey East	C. W. Hartman	Dr. T. S. Sproule	Dr. T. S. Sproule	Cons.
Halton	W. H. Smith	D. Henderson	D. Henderson	"
Haldimand	R. F. Miller	F. R. Lalor	F. R. Lalor	"
Hamilton East	John Peebles	Samuel Barker	Samuel Barker	"
Hamilton West	John McLaren	T. J. Stewart	T. J. Stewart	"
Hastings West	W. H. Hubbell	E. G. Porter	E. G. Porter	"
Hastings East	P. R. Clarke	W. B. Northrup	W. B. Northrup	"
Huron West	M. G. Cameron	E. N. Lewis	E. N. Lewis	"
Huron East	A. Hislop	James Bowman	James Bowman	"
Huron South	M. Y. McLean	J. J. Merner	J. J. Merner	"
Kent West	A. B. McColg	Ward Stanforth	A. B. McColg	Lib.
Kent East	D. A. Gordon	H. J. French	D. A. Gordon	"
Kingston	J. McD. Mowat	W. F. Nickle	W. F. Nickle	Cons.
Lambton West	F. F. Pardee	R. E. Lesueur	F. F. Pardee	Lib.
Lambton East	C. O. Fairbank	J. E. Armstrong	J. E. Armstrong	Cons.

Constituency.	Liberal Candidate.	Conservative Candidate.	Member Elected.	Politics.
Lanark North	T. B. Caldwell	W. Thoburn	W. Thoburn	Cons.
Lanark South	G. F. McKim	Hon. J. G. Haggart	Hon. J. G. Haggart	"
Leeds	F. Cross	George Taylor	George Taylor	"
Lennox and Addington	J. P. Vrooman	W. J. Paul	W. J. Paul	"
Lincoln	E. J. Lovelace	E. A. Lancaster	E. A. Lancaster.	"
London	J. M. McEvoy	Thomas Beattie	Thomas Beattie.	"
Middlesex West	D. C. Ross	James Cobban	D. C. Ross	Lib.
Middlesex North	A. W. Smith	George Elliott	George Elliott	Cons.
Middlesex East	C. A. Routledge	Peter Elson	Peter Elson	"
Muskoka	G. H. R. Thomas	William Wright	William Wright	"
Nipissing	A. J. Young	George Gordon	George Gordon	"
Norfolk	W. A. Charlton	Alex. McCall	W. A. Charlton	Lib.
Northumberland East	A. Featherston	H. J. Walker	H. J. Walker	Cons.
Northumberland West	J. B. McColl	C. A. Munson	C. A. Munson	"
Ontario North	H. M. Mowat	Sam Sharpe	Sam Sharpe	"
Ontario South	F. L. Fowke	William Smith	William Smith.	"
Ottawa	H. B. McGiverin	A. E. Fripp	A. E. Fripp	"
Ottawa	J. A. Pinard	Dr. J. L. Chabot	Dr. J. L. Chabot	"
Oxford North	E. W. Nesbitt	J. G. Wallace	E. W. Nesbitt	Lib.
Oxford South	M. S. Schell	D. Sutherland	D. Sutherland	Cons.
Parry Sound	G. Morrison	James Arthurs	James Arthurs.	"
Perth North	Dr. J. P. Rankin	H. B. Morphy	H. B. Morphy	"
Perth South	C. H. McIntyre	Dr. M. Steele	Dr. M. Steele	"
Peel	W. J. Lowe	Richard Blain	Richard Blain	"
Prescott	E. Proulx	Dr. E. Quesnal	E. Proulx	Lib.
Prince Edward	Dr. M. Currie	R. A. Hepburn	R. A. Hepburn.	Cons.
Peterborough W.	J. R. Stratton	J. H. Burnham	J. H. Burnham.	"
Peterborough E.	F. D. Kerr	J. H. Sexsmith	J. H. Sexsmith.	"
Renfrew South	T. A. Low	Dr. Maloney	T. A. Low	Lib.
Renfrew North	James Munro	G. V. White	G. V. White	Cons.
Russell	Hon. C. Murphy	J. U. Vincent	Hon. C. Murphy.	Lib.
Simcoe South	T. Hammell (Ind.).	H. Lennox	H. Lennox	Cons.
Simcoe North	L. G. McCarthy	J. A. Currie	J. A. Currie	"
Simcoe East	Manley Chew	W. H. Bennett	W. H. Bennett.	"
Stormont	G. I. Gogo	Dr. D. O. Alguire.	Dr. D. O. Alguire.	"
Thunder Bay and Rainy River	James Conmee	J. J. Carrick	J. J. Carrick	"
Toronto North	W. H. Shaw	Hon. G. E. Foster.	Hon. G. E. Foster	"
Toronto Centre	A. Maguire	E. Bristol	E. Bristol	"
Toronto South	J. J. Ward	A. C. Macdonell.	A. C. Macdonell.	"
Toronto East	J. Pearson	A. E. Kemp	A. E. Kemp	"
	J. Richardson (Lab.)	Joseph Russell		
Toronto West	G. Waldron	Edmund B. Osler.	Edmund B. Osler	"
Victoria	James B. Begg	Col. S. Hughes	Col. S. Hughes.	"
Waterloo South	Dr. S. Moyer	G. A. Clare	G. A. Clare	"
Waterloo North	Hon. W. L. M. King.	W. G. Weichel	W. G. Weichel.	"
Welland	W. M. German	(Acclamation)	W. M. German.	Lib.
Wellington South.	Hugh Guthrie	Kelly Evans	Hugh Guthrie.	"
Wellington North.	A. M. Martin	W. A. Clark	W. A. Clark	Cons.
Wentworth	W. O. Sealey	Gordon C. Wilson.	Gordon C. Wilson	"
York North	T. C. Robinette	J. A. M. Armstrong.	J. A. M. Armstrong	"
York Centre	H. H. Dewart	T. G. Wallace	Thomas Wallace	"
York South	L. F. Heyd	W. F. Maclean	W. F. Maclean.	"

QUEBEC.

Argenteuil	A. H. Tanner	G. H. Perley	G. H. Perley	Cons.
Bagot	J. E. Marcile	T. Marsil (Nat.).	J. E. Marcile	Lib.
Beauce	Hon. H. S. Béland.	Dr. Cloutier	Hon. H. S. Béland	"
Beauharnois	L. J. Papineau	J. G. H. Bergeron.	L. J. Papineau.	"
Bellechasse	O. E. Talbot	J. O. Lavallee	J. O. Lavallee.	Cons.
Berthier	A. Ecrement	J. A. Barrette	J. A. Barrette.	"
Bonaventure	Hon. C. Marcil	J. A. Mousseau	Hon. C. Marcil.	Lib.
Brome	Hon. S. A. Fisher.	G. H. Baker	G. H. Baker	Cons.
Chambly and Vercheres	V. Geoffrion	J. H. Rainville	J. H. Rainville.	"
Champlain	J. A. Rousseau	P. E. Blondin	P. E. Blondin.	"
Charlevoix	L. Cannon	R. Forget	R. Forget	"
Chateauguay	J. P. Brown	J. J. Morris	J. P. Brown	Lib.
Chicoutimi and Saguenay	Jos. Girard	B. A. Scott	J. Girard	"

Constituency.	Liberal Candidate.	Conservative Candidate.	Member Elected.	Politics.
Compton	A. B. Hunt	F. R. Cromwell	F. R. Cromwell	Cons.
Dorchester	J. A. E. Roy	A. Sevigny	A. Sevigny	"
Drummond and Arthabaska	O. Brouillard	A. Gilbert	O. Brouillard	Lib.
Gaspé	Hon. R. Lemieux	Dr. Gauthier	L. P. Gauthier	Cons.
Hochelaga	L. A. Rivet	L. Coderre	L. Coderre	"
Huntingdon	J. A. Robb	R. N. Walsh	J. A. Robb	Lib.
Jacques Cartier	L. Boyer	F. D. Monk	F. D. Monk	Cons.
Joliette	J. A. Dubeau	J. P. O. Guilbault	J. P. O. Guilbault	"
Kamouraska	E. Lapointe	W. D. Potvin	E. Lapointe	Lib.
Labelle	C. B. Major	H. Achin	Honore Achin	Cons.
Laprairie and Napierville	R. Lanctot	G. Monette	R. Lanctot	Lib.
L'Assomption	P. A. Seguin	L. J. S. Morin	P. A. Seguin	"
Laval	C. A. Wilson	J. E. E. Leonard	C. A. Wilson	"
Levis	J. B. Bourassa	J. Begin	J. B. Bourassa	Ind.
L'Islet	A. Bourgault	Dr. E. Paquet	Eugene Paquet	Cons.
Lotbiniere	E. Fortier	W. Laliberte	Edmond Fortier	Lib.
Maisonneuve	A. Verville	E. W. Villeneuve	A. Verville	Lib.
Maskinonge	H. Mayrand	A. Bellemare	A. Bellemare	Cons.
Megantic	L. Pacaud	L. Huard	L. T. Pacaud	Lib.
Missisquoi	W. F. Kay	Dr. Pickel	W. F. Kay	"
Montcalm	D. A. Lafortune	J. E. Marion	D. A. Lafortune	"
Montmagny	Hon. H. S. Béland	D. O. Lesperance	D. O. Lesperance	Cons.
Montmorency	G. W. Parent	R. Forget	R. Forget	"
Montreal—				
St. Marys	M. Martin	J. A. Masse	M. Martin	Lib.
St. James	L. A. Lapointe	O. Asselin (Nat.)	L. A. Lapointe	"
St. Lawrence	R. Bickerdike	G. F. Johnston	R. Bickerdike	"
St. Antoine	Dr. M. Hersey	H. B. Ames	H. B. Ames	Cons.
St. Ann's	J. C. Walsh	Hon. C. J. Doherty	Hon. C. J. Doherty	"
Nicolet	Dr. Turcotte	P. A. Lamarche	P. A. Lamarche	"
Pontiac	G. F. Hodgins F. S. Cahill (Ind.)	G. H. Brabazon	G. H. Brabazon	"
Portneuf	M. S. Delisle	H. Grenier	M. S. Delisle	Lib.
Quebec Centre	A. Lachance	J. Hone	A. Lachance	"
Quebec East	Sir W. Laurier	(Acclamation)	Sir W. Laurier	"
Quebec West	W. Power	William Price	William Power	"
Quebec County	J. B. Caoutte	Hon. L. P. Pelletier	L. P. Pelletier	Cons.
Richelieu	P. J. A. Cardin A. Lanctot (Ind.)	A. P. Vanasse	P. J. A. Cardin	Lib.
Richmond and Wolfe	E. W. Tobin	Dr. Hays	E. W. Tobin	"
Rimouski	J. A. Ross	H. Boulay	H. Boulay	Cons.
Rouville	Hon. R. Lemieux	Dr. Dubreuil	Hon. R. Lemieux	Lib.
St. Hyacinthe	L. J. Gauthier	E. Guimond (Nat.)	L. J. Gauthier	"
St. Johns and Iberville	M. J. Demers	J. E. Lareau	M. J. Demers	"
St. Maurice and Three Rivers	Hon. J. Bureau	P. E. Panneton	Hon. J. Bureau	"
Shefford	G. H. Boivin	James Davidson	G. H. Boivin	"
Sherbrooke	F. Macrea	C. D. White	F. McCrea	"
Soulanges	Sir W. Laurier	J. A. Lortie	Sir W. Laurier	"
Stanstead	C. H. Lovell	G. A. Paige	C. H. Lovell	"
Temiscouata	C. A. Gauvreau	L. Labelle	C. A. Gauvreau	"
Terrebonne	S. Desjardins	W. B. Nantel	W. B. Nantel	Cons.
Two Mountains	J. A. C. Ethier	(Acclamation)	J. A. C. Ethier	Lib.
Vaudreuil	G. Boyer	De Lery Macdonald	G. Boyer	"
Wright	E. B. Devlin	L. Cousineau	E. B. Devlin	"
Yamaska	J. E. O. Gladu	A. A. Mondou	A. A. Mondou	Cons.

NOVA SCOTIA.

Annapolis	S. W. Pickup	A. L. Davidson	A. L. Davidson	Cons.
Antigonish	W. Chisholm	Dr. J. J. Cameron	W. Chisholm	Lib.
Cape Breton N.	D. D. McKenzie	J. McCormack	D. D. McKenzie	"
Cape Breton S.	W. F. Carroll	J. W. Maddin	W. F. Carroll	"
Colchester	S. D. McLellan	John Stanfield	J. Stanfield	Cons.
Cumberland	H. J. Logan	E. N. Rhodes	E. N. Rhodes	"
Digby	A. E. Wall	C. Jameson	C. Jameson	"
Guysborough	J. H. Sinclair	G. A. Rowlings	J. H. Sinclair	Lib.

Constituency.	Liberal Candidate.	Conservative Candidate.	Member Elected.	Politics.
Halifax	A. K. Maclean	A. B. Crosby	A. K. Maclean	Lib.
Halifax	Dr. Blackadar	R. L. Borden	R. L. Borden	Cons.
Hants	Dr. J. B. Black	H. D. Tremain	H. D. Tremain	"
Inverness	A. W. Chisholm	T. Gallant	A. W. Chisholm	Lib.
Kings	Sir F. W. Borden	A. De W. Foster	A. De W. Foster	Cons.
Lunenburg	J. D. Sperry	Dr. D. Stewart	D. Stewart	"
Pictou	E. M. Macdonald	A. C. Bell	E. M. Macdonald	Lib.
Richmond	G. W. Kyte	J. A. Gillies	G. W. Kyte	"
Shelburne-Queens	Hon. W. S. Fielding	F. B. McCurdy	F. B. McCurdy	Cons.
Yarmouth	B. B. Law	K. E. Crosby	B. B. Law	Lib.

NEW BRUNSWICK.

Carleton	F. B. Carvell	B. F. Smith	F. B. Carvell	Lib.
Charlotte	W. F. Todd	T. A. Hartt	T. A. Hartt	Cons.
Gloucester	O. Turgeon	T. M. Burns	O. Turgeon	Lib.
Kent	A. Legere	F. J. Robidoux	F. J. Robidoux	Cons.
King's-Albert	D. D. McAllister	G. W. Fowler	G. W. Fowler	"
Northumberland	W. S. Loggie	Hon. D. Morrison	W. S. Loggie	Lib.
Queen's-Sunbury	Col. H. H. McLean	L. B. Smith	H. H. McLean	"
Restigouche	James Reid	W. Montgomery	James Reid	"
St. John and Co.	James Lowell	Dr. J. W. Daniel	Dr. J. W. Daniel	Cons.
St. John City	Hon. W. Pugsley	H. A. Powell	Hon. W. Pugsley	Lib.
Victoria	P. Michaud	M. D. Cormier	P. Michaud	Lib.
Westmoreland	H. R. Emmerson	M. G. Siddall	Hon. H. R. Emmerson	"
York	A. B. Atherton	O. S. Crocket	O. S. Crocket	Cons.

PRINCE EDWARD ISLAND.

Kings	J. J. Hughes	A. L. Fraser	J. J. Hughes	Lib.
Prince County	J. W. Richards	Dr. P. C. Murphy	J. W. Richards	"
Queens (2 members)	A. B. Warburton	A. A. McLean	A. A. McLean	Cons.
	L. E. Prowse	D. Nicholson	D. Nicholson	"

MANITOBA.

Brandon	A. E. Hill	J. A. M. Aikins	J. A. M. Aikins	Cons.
Dauphin	R. Cruise	Glen Campbell	Robert Cruise	Lib.
Lisgar	J. F. Greenway	W. H. Sharpe	W. H. Sharpe	Cons.
Macdonald	J. S. Wood (Ind.)	W. D. Staples	W. D. Staples	"
Marquette	G. A. Grierson	W. J. Roche	W. J. Roche	"
Portage la Prairie	R. Patterson	A. E. Meighen	Arthur Meighen	"
Provencher	Dr. J. P. Molloy	J. A. F. Bleau	J. P. Molloy	Lib.
Selkirk	A. R. Bredin	G. H. Bradbury	G. H. Bradbury	Cons.
Souris	A. M. Campbell	F. L. Schaffner	F. L. Schaffner	"
Winnipeg	J. H. Ashdown	A. Haggart, K.C.	A. Haggart	"

SASKATCHEWAN.

Assiniboia	J. G. Turriff	C. C. Smith	J. G. Turriff	Lib.
Battleford	A. Champagne	M. J. Howell	A. Champagne	"
Humboldt	D. B. Neely	W. H. Hearne	D. B. Neely	"
Mackenzie	E. L. Cash	C. D. Livingstone	E. L. Cash	"
Moose Jaw	W. E. Knowles	S. K. Rathwell	W. E. Knowles	"
Prince Albert	A. W. Rutan	James McKay	James McKay	Cons.
Qu'Appelle	L. Thompson	R. S. Lake	Levi Thompson	Lib.
Regina	W. M. Martin R. Fletcher (Ind.)	Dr. Cowan	W. M. Martin	"
Saltcoats	Thomas MacNutt	J. Nixon	T. MacNutt	"
Saskatoon	G. E. McCraney E. N. Baumunk (Ind.)	D. McLean	G. E. McCraney	"

ALBERTA.

Calgary	I. S. G. Van Wart	R. B. Bennett	R. B. Bennett	Cons
Edmonton	Hon. F. Oliver	W. A. Griesbach	Hon. F. Oliver	Lib.
Macleod	D. E. Warnock	John Herron	D. E. Warnock	"
Medicine Hat	W. A. Buchanan	C. A. Magrath	W. A. Buchanan	"
Red Deer	Dr. Clark	A. A. McGillivray	M. Clark	"
Strathcona	J. M. Douglas	G. B. Campbell	J. M. Douglas	"
Victoria	W. H. White	F. A. Morrison	W. H. White	"

BRITISH COLUMBIA.

Constituency.	Liberal Candidate.	Conservative Candidate.	Member Elected.	Politics.
Comox-Atlin	Duncan Ross	H. S. Clements	H. S. Clements	Cons.
Kootenay	Dr. J. H. King	A. S. Goodeve	A. S. Goodeve	"
Nanaimo	Ralph Smith	F. H. Shepherd	F. H. Shepherd	"
New Westminster	John Oliver	J. D. Taylor	J. D. Taylor	"
Vancouver City	J. K. Senkler E. T. Kingsley (Soc.)	H. H. Stevens	H. H. Stevens	"
Victoria City	Hon. W. Templeman	G. H. Barnard	G. H. Barnard	"
Yale-Cariboo	K. C. McDonald	Martin Burrell	Martin Burrell	"

YUKON.

Yukon	F. T. Congdon	A. Thompson	A. Thompson	Cons.

The result of the Elections on Sept. 21st was amazing to the masses of the people, a matter of astonishment even to the victors, a subject of intense surprise in the United States, a matter of undisguised delight in many British quarters. It was a Conservative landslide, with seven Ministers of the Crown defeated. Messrs. Fielding and Paterson, who had negotiated the Reciprocity Agreement, were beaten, with Messrs. G. P. Graham and Mackenzie King in Ontario, S. A. Fisher in Quebec, Sir F. Borden in Nova Scotia, and William Templeman in British Columbia. Sir Wilfrid Laurier won in Soulanges as well as in Quebec City. The Hon. Charles Murphy was the only Minister re-elected in Ontario and Mr. Pugsley had a large majority cut down to a small one in St. John where his running-mate was defeated. Hon. H. S. Béland was elected in Beauce but defeated in Montmagny. Up till a late hour on Election Day it was thought that R. L. Borden was defeated in Halifax but, eventually, he was found to have been returned. Montreal, in five out of nine City divisions, gave the Liberals good majorities—three of the Conservative candidates, Messrs. Ames, Doherty and Monk, polling, it was claimed, an almost solid English vote.

In Toronto Messrs. Foster, Macdonell, Kemp and Bristol all had majorities over 2,000; Mr. E. B. Osler won by nearly 8,000. The Ontario sweep for Mr. Borden was the greatest majority in its history (72 to 14) and the majorities of the individual candidates were, as a rule, large and decisive. There were 35 Conservatives elected by over 500 majority and three Liberals. In Quebec there were 27 Conservatives and Nationalists returned against 38 Liberals; what proportion of the former total were really Nationalists was a matter of controversy though ten or eleven was a common estimate. The three Atlantic Provinces returned 16 Conservatives to 19 Liberals; the three Prairie Provinces stood 10 Conservatives to 17 Liberals whilst British Columbia went solidly Conservative; delayed elections were held in four constituencies with results which are included in the above totals—Yukon, Thunder Bay, Chicoutimi-Saguenay and Gaspé all returning Conservatives. The total result was 133 Conservatives to 88 Liberals—just about the majority for Mr. Borden that Sir Wilfrid

obtained in 1908. By Provinces the *Globe* claimed five for Reciprocity, three against and Prince Edward Island equally divided.

Individually, and apart from those already mentioned, the notable Conservative victories were J. H. Fisher in Brant, W. F. Cockshutt in Brantford, Colonel Hugh Clark in N. Bruce, Dr. J. W. Edwards in Frontenac, W. B. Northrup in East Hastings, W. F. Nickle in Kingston, C. A. Munson in W. Northumberland, J. H. Burnham in W. Peterborough, J. J. Carrick in Thunder Bay; R. Forget in two Quebec ridings; L. P. Pelletier in Quebec County and W. B. Nantel in Terrebonne; J. A. M. Aikins in Brandon and Alex. Haggart—who had 4,700 majority—in Winnipeg; James McKay in Prince Albert, Sask., and R. B. Bennett in Calgary, F. S. Shepherd in Nanaimo, B.C. Of the Liberal successes W. A. Charlton in Norfolk was the only Ontario gain, while Hugh Guthrie had a large majority in South Wellington; L. J. Papineau defeated J. G. H. Bergeron in Beauharnois, A. K. MacLean won against A. B. Crosby in Halifax and E. M. Macdonald carried Pictou; W. A. Buchanan defeated C. A. Magrath in Alberta and Levi Thompson won in Saskatchewan against R. S. Lake. As finally made up the official figures showed a total vote of 669,557 for the Conservatives and 625,096 for the Liberals, with 12,831 scattering amongst Socialists, Independents and Labour men. Ontario showed 269,930 Conservatives to 207,078 Liberals; Quebec 159,262 and 164,274 respectively; the Atlantic Provinces 108,727 and 111,652 respectively; the three Prairie Provinces 89,997 to 124,913; British Columbia 25,622 to 16,350. An incident of the Elections was the defeat in Nova Scotia of two Ministers by young untried politicians—F. B. McCurdy who defeated Mr. Fielding and A. de W. Foster, an undergraduate of Acadia College, who won against Sir F. Borden. It may be added that 76 of the new members were classified as lawyers, 36 as farmers, 21 as physicians, 32 as merchants and the rest scattering.

After hearing the returns in Quebec Sir Wilfrid Laurier described the result as merely a setback to Liberalism which would yet have many days of triumph and prosperity. "The fidelity of the Province of Quebec to our flag" was, he declared, the great consolation in this sombre hour. Mr. R. L. Borden sent a Message to the press describing the result as an answer to the attempt to force Reciprocity upon the country and as "a triumph of the Canadian people rather than of any political party." He acknowledged the patriotic service of many Liberals and added: "The fight was a hard one but the victory would have been even more sweeping if the campaign had continued for two weeks longer. Canada has emphasized her adherence to the policy and traditions of the past. She has wisely determined that for her there shall be no parting of the ways, but that she will continue in the old path of Canadianism—true Canadian nationhood and British connection. She has emphasized the strength of the ties

that bind her to the Empire. The verdict has been given in no spirit of unfriendliness or hostility to the United States and no such spirit exists, but Canada desires and elects to be mistress of her destinies and to work out those destinies as an autonomous nation within the British Empire."

Public Opinion in Canada, the United States and Great Britain

In Canada Conservative opinion was naturally jubilant though restrained in personal expression. Sir James P. Whitney, Premier of Ontario (Sept. 23), said: "The most satisfactory feature is the fact that the long roll of agricultural constituencies which gave Reciprocity its death-blow shows beyond doubt that the Canadian farmer thinks for himself, nowadays, and that he is determined to leave no room for doubt as to his attitude." Mr. Roblin, Premier of Manitoba, told the press (Sept. 26) that it proved, when you got deep enough into the composition of the Canadian people, that "there is the same spirit of self-reliance, independence and love of Britain and British institutions that has protected and preserved Canada from 1760 down to the present time." Mr. McBride, Premier of British Columbia (Sept. 23), described the great, silent vote of Canada as against Reciprocity: "We have pronounced ourselves a nation within the Empire and at the same time we have the right to say that we have set the seal upon our fixed determination to be, in the end, the very nerve centre and mainstay of the Imperial structure." Mr. Clifford Sifton (Sept. 22) described the Government as not understanding that Reciprocity was a reversal of 40 years policy and a signal for Empire disintegration. "The national development of Canada along British lines will now go on." From the Baroness Macdonald of Earnscliffe came a cablegram to Sir Hugh Graham: "My warm thanks and love to my fellow-countrymen, Conservatives and Liberals alike, who have secured this magnificent national victory. May God bless and prosper our beloved Empire."

As to the press its lines of gratulation were obvious ones. The ensuing view of the Montreal *Gazette* was that of the great mass of Conservative papers: "It proves that there is a real national sentiment in the hearts of the Canadian people, that their place in the British Empire is the place they desire to build, and that anything that seems calculated to weaken the idea of nationhood or to threaten, even in a remote way, the traditional connection with Great Britain will be promptly rejected." The majority of the Liberal press blamed the result to Annexation fears, the loyalty cry, and anti-American sentiment. The Toronto *Globe* summed it up in these words: "The people of Ontario do not like their neighbours to the south." It believed that some day the Province would reverse its decision and be willing to trade freely with the United States. On the 25th these views were amplified. "The fight for better trade relations and for untaxed food for the com-

mon people has only begun. It is the fight from which Liberals must not and will not turn back." The Toronto *Star* declared that alleged tendencies and not economic considerations defeated the Agreement. The Winnipeg *Free Press,* on the other hand, thought the result in Ontario due to business and not sentiment. The St. John *Telegraph* called the cause of defeat a loyalty cry; the Victoria *Times* labelled it a scare raised by the "big interests"; Robert Bickerdike, M.P., of Montreal, covered much other ground when he said that the man who defeated Reciprocity was dead long ago but had written "Rule Britannia."

As to the future the declaration of *The Globe* that Reciprocity was still alive and should be a continued policy of the party found its strongest support in the Regina *Leader* which (Sept. 27) said: "Liberals and low tariff men must stick together, and, if they do, it is only a matter of a few years when their power will be such as to bring them their desire." The Winnipeg *Free Press* (Sept. 22) was explicit, however, in opposing this line of thought: "A straight, clear issue was put to the Canadian people in the Elections settled yesterday. They were asked to say whether they desired Reciprocity in natural products with the United States. The verdict is decisive; and it is to be accepted without question." The Victoria *Times* (Mr. Templeman's organ) declared that the Tory claim as to Reciprocity being "as dead as Queen Anne" was quite correct and that the proposal could never be resurrected. The Fort William *Herald* described the verdict as conclusive; the Montreal *Herald* declared the decision one which could not be misunderstood, or complicated, or rendered obscure, and one which must be accepted; the Ottawa *Free Press* (Sept. 27) described Reciprocity by agreement with the United States as "dead for all time to come." Of the French-Canadian press *L'Evenement* of Quebec (Cons.) described the result as "the dawn of a glorious day," a punishment of "triple treasons" toward the Catholics of Manitoba, Alberta and Saskatchewan, a rejection of Tariff heresy. *La Vigie* (Lib.) described Quebec as having lost its influence in a few hours and Imperialism as now triumphant; *Le Soleil,* also of Quebec, thought the result due to an "odious campaign of falsehoods" with its Province now reduced to incapacity. *La Patrie* of Montreal (Ind.-Lib.) was pleased at the defeat of Reciprocity; *Le Devoir* described itself as still independent: "The election is for us but an incident and a means. Above all we desire to spread our ideas, because we believe them to be just and beneficial to the country. The Nationalist idea must penetrate every community and every Province." *La Presse* (Lib.) declaimed fiercely against the anti-Catholic opinion of Ontario as the cause of the disaster, and the Orange *Sentinel* of Toronto (Sept. 28) furnished some excuse for this attitude by declaring the result due to a public desire to "put an end to Roman Catholic rule."

In Great Britain public opinion now found free expression. The Unionist journals were delighted. The *Pall Mall Gazette* (J. L. Garvin, Editor) declared that "patriotic feeling and a sense of nationhood" had found its opportunity "to denounce the American bribe and repudiate treachery to the Empire"; the London *Globe* described the struggle as one between Continentalism and Imperialism, with the latter as victor; the *Times* said that Canadians had once more asserted their intention to maintain the truth of the old designation—British North America; the *Express* described Canada as "swayed by a splendid sentiment" and as refusing any temptation to weaken Imperial ties; the *Telegraph* considered the result as one of "sane and far-sighted patriotism," a decision to be the equal and not the subordinate of the United States Republic; the *Financial News* considered the Elections as "the most tremendous victory for Imperialism in the history of the Empire"; the *Standard* thought Canada had once more proved her title of "the pioneer of Empire" with "a long and just view" of conditions—that she had again shown her pride in nationality and confidence in destiny.

The British Liberal press was not unanimous in opinion. The London *Chronicle* declared that "Protection, national patriotism and Imperial sentiment" made a powerful combination against Reciprocity; the *Leader* considered the defeat of Reciprocity due to a feeling that some measure of disloyalty to British connection was involved and also to the influence of manufacturers and speculators "whose policies and politics are business"; the *Daily News* believed that this Election would free Canadian Liberals from their "entangling association with the trusts and tariffs" and enable them to return to their early free-trade faith; the *Westminster Gazette,* from an Imperial standpoint, found "many grounds for encouragement and consolation in the Canadian elections." It was better to vote against Reciprocity because it was thought to endanger the Imperial tie than to vote for it because of indifference to that condition.

As to the general result personal opinion was also widely expressed. Lord Charles Beresford, who was in Vancouver on Election Day, said to the press: "I believe that if Reciprocity had been carried it would have been the beginning of the end of the British Empire." The Duke of Devonshire, President of the British Empire League, stated at Chatsworth, on the 25th, that Canada "had shown by unmistakable vote that it would not allow even the thinnest wedge to be driven that might ultimately lead to any separation between their country and ours." Mr. A. Bonar Law, M.P., cabled the Montreal *Star* that: "The result of the Canadian elections will give a new life to the movement in favour of Imperial preference in this country. I am now confident that within the next year or two we shall see the triumph here of the Tariff Reform movement and, with it, a real advance towards

the organic union of the Empire." Mr. Henry Chaplin, M.P., issued a Manifesto in October describing this victory of Imperial feeling as opening the door for Great Britain to establish and secure an inter-Imperial trade and tariff system. In Australia the Melbourne *Age* described the result as showing a strong national sentiment; other papers considered it a powerful vindication of Imperial ideals.

In the United States astonishment and several other feelings were expressed. A President of the Republic and leader of a great party had taken his political life in his hands in order to force Reciprocity through Congress and Canadians had then repudiated the arrangement and overturned their Government. It was little wonder that press opinions were somewhat harsh. The New York *Tribune* described Canadian voters as evidently governed more by prejudice than reason but as fully entitled to their opinion; the New York *American* (Hearst's paper) dealt with this "Trust and Demagogues' Triumph" as being unexpected and lamentable, described Sir Wilfrid Laurier as being the ablest man in the Dominion, but as having over-estimated the intelligence of his people; the Boston *Globe* described the result as a step backward for Canada and a distinct disappointment for the United States; the Boston *Transcript* stated that all Americans were concerned "not only because of the slap in the face for an attempt to bring about wider reciprocal relations with a neighbour but because of the effect it may have upon President Taft's chances for re-election." The New York *World* attributed the result partly to the manufacturing interests, partly to the Canadian Pacific Railway, partly to the Empire Loyalists, partly to "super-patriotic Canadians" and partly to Conservative appeals to passion and prejudice and concluded that "popular stupidity" had rarely won a more decisive victory; the New York *Times* declared that "prejudice and delusion" had once more set back the hands of the clock and had given victory to "reaction and ignorance."

President Taft refused to make any comment except an expression of great disappointment but was said to have been completely taken by surprise. In a speech at Seattle, however, on Oct. 9th, he made this remark: "I think we know a little more on this side than they do on theirs, because we are an older country, and after some years of experience it is possible that they will come to take the right view; but whether that be so or not, if they don't grow as rapidly as we do and as rapidly as they might have grown, they cannot say it is our fault." Woodrow Wilson, Governor of New Jersey, and a Democratic leader, made an interesting comment in a speech at Princeton on Oct. 20th: "The present contrast between Canada and the United States is this, that in the United States business is feverish and fretful and distrusted; that in Canada it is absolutely buoyant with confidence and with

hope. The contrast is extraordinary. And the Canadians feared that Reciprocity would be the opening lever to a very much closer commercial and industrial relationship with the United States, and they felt that their situation in regard to these matters was vastly superior to ours." Mr. Champ Clark, to return to the day after the Election, described the result in a written statement at Nashville, Tenn., as due more to President Taft's announced policy of trying to prevent Imperial Reciprocity than to his own Annexation utterances; with a still more important cause in the "corruption funds sent from this country and Great Britain to Canada." On Nov. 2nd, in one of a series of speeches looking to the coming Presidential nomination, Mr. Clark said at Fremont, Neb., that nine-tenths of the people of the United States favoured Annexation. "I don't care who hears me say that," the Missourian added. "Moreover I'm willing to make this proposition: You let me run for President on a platform for the annexation of Canada, in so far as this country can accomplish it, and let President Taft run against me opposing annexation—and—well, I'd carry every State in the nation."

Meanwhile the press in other centres had been as vigorous in opinion as in New York or Boston. The Buffalo *Courier* described the result as due to "every imaginable form of misrepresentation, intimidation of the work-people, appeals to passion, to prejudice, to cupidity." The Buffalo *Express* regretted "the dark age of roorbacks and campaign lies" into which Canada had fallen. The St. Louis *Republic,* after describing Mr. Borden as the "chief Imperial hypocrite of the day" and referring to "the cockney and hooligan jingoism" which had opposed Reciprocity went on to say that if Canadians were not careful they might provoke trouble and have to consider "annexation in all its phases." On Oct. 18 the New York *Herald* which had, during the year, sent out multitudes of pro-Reciprocity material from its branch office in Ottawa, and had been certain that Reciprocity would carry, made the announcement that it would no longer maintain these intimate relations with Canada and would withdraw representation from Ottawa.

There were some gracious utterances, however. The Chicago *Tribune* regretted the result but thought there was "a certain splendour" in Canada's attitude; the Chicago *News* thought Canada's position disappointing but its self-reliance worthy of admiration; the Philadelphia *Ledger* declared that the Dominion had placed sentiment above materialism and had decided to tighten its bonds of union with the British Empire; the New York *Post* dealt with this "startling political upheaval" as being a real expression of public opinion; the San Francisco *Argonaut* described the result as based upon well-founded appeals to loyal sentiment and upon a fear of weakening Empire relationship which "Americans and Canadians, alike, felt in their hearts to be true."

III.—DOMINION PUBLIC AFFAIRS

Last Months of the Laurier Administration and the 11th Parliament

Apart from the engrossing public issues of Reciprocity and the General Election there were no outstanding events in connection with the Laurier Government during 1911 except, of course, its retirement in October. Sir Wilfrid Laurier received the usual number of deputations and on Feb. 3rd held a conference with Messrs. Roblin and Rogers of the Manitoba Government as to the long-pending question of Provincial boundaries. On May 5th a delegation of workingmen from Montreal, Toronto, Hamilton and Quebec waited upon the Premier and presented a Memorial containing 18,000 signatures to a request for the continuance of bounties on wire-rods and in support of the Bounty system, generally, as of great importance to the workers in iron and steel industries. Several deputations, headed by J. H. Plummer and others interested financially in these industries, also waited on Sir Wilfrid or Mr. Fielding.

The Premier visited England, was a conspicuous figure at the Coronation and the Imperial Conference, fought the Reciprocity issue in Parliament and the country, and presented in the Commons (for Mr. Fielding) a re-modelled Bank Act which did not become law but proposed important provisions for publicity in connection with the double liability of shareholders, for greater safeguards in the starting of new Banks, for establishing a Shareholders' Audit when desired, for increased penalties as to false official Statements, for the signature of official reports by the President and three Directors. Amongst the many United States comments on the Premier during this year was an article by Senator A. J. Beveridge, in *McClure's* for July, in which Sir Wilfrid Laurier was described as " a tradition, a legend, an institution in the country." He never made an issue but let events create it and then " became the personification of that issue."

For Mr. Fielding, Minister of Finance, the year was a most strenuous one. He started with the Reciprocity negotiations, presented the results to Parliament and the country and fought a hard fight in his own constituency. He had to face much criticism in connection with the Farmers Bank failure—not the least of which was the assertion that W. R. Travers, its General Manager, contributed to the $120,000 Testimonial given to the Minister in 1910. This was emphatically denied by P. C. Larkin and Senator Jaffray, who had received the Toronto contributions. The acceptance of this Testimonial was, in itself, denounced by the

Conservative press in the strongest terms and an unanimously passed Resolution of Parliament dealing with such matters—Aug. 13, 1891—was widely quoted. On Jan. 31 Mr. A. C. Boyce (Cons.) moved a Resolution in the Commons worded exactly as the preceding one with an addition, however, at the close; and in his speech quoted Liberal opinions against a similar Testimonial once presented to Sir Hector Langevin. The Resolution was as follows:

That the acceptance of gifts or testimonials of any kind on the part of Ministers of the Crown or of any member of their families, from contractors, Government officials, or other persons having pecuniary relations with the Government is entirely opposed to sound principles of administration and is calculated to bring Parliamentary Government into contempt, and that the example thus given tends to corrupt and demoralize the officials serving under Ministers who have accepted or permitted the acceptance of gifts or testimonials as aforesaid. That in order to maintain this principle the source of any gifts of money to Ministers of the Crown ought not to be surrounded with secrecy and that an authentic statement of the names of the donors should forthwith be made public.

Mr. Fielding, in reply, related the circumstances leading up to the presentation and the conditions under which it was accepted, as follows: "With the assurance that not one penny would be accepted from any Government contractor, from any person who was likely to be applicant for any fee, patronage or favour from the Government, with the assurance that I would not even know the names, and with the further assurance that the matter had been mentioned to my good friend the Prime Minister and that he had given his approval to the movement, on these conditions, with those assurances, I agreed to accept the Testimonial." After various speeches had been made Sir Wilfrid Laurier eulogized his Minister as a man of honour and integrity and described the Resolution as a vote of non-confidence while Mr. R. L. Borden declared that it could hardly help but be felt by any intelligent man that the sources of such a Testimonial could not remain permanently secret. He took the position that if gifts were made to Cabinet Ministers they should come from untainted sources and be made publicly. At the same time the Opposition Leader paid the highest compliments to Mr. Fielding personally: "I accept absolutely, not merely in the Parliamentary sense, every word he (Hon. Mr. Fielding) stated and I desire to pay tribute to his indefatigable service, his hard and earnest work in the administration of his Department." The Resolution was lost on a party vote of 118 to 63. Coupled with his other responsibilities or difficulties Mr. Fielding had to face impaired health during a part of the year and, early in June, went to Europe for a holiday. While in Paris he made arrangements for better-located Canadian offices in the French capital.

The usual rumours as to Sir Frederick Borden being appointed High Commissioner in England were current during the year

and early in July the matter seemed to be settled with the selection, also, of E. M. Macdonald, M.P., as successor in the Ministry of Militia. The Winnipeg *Free Press* of July 21st accepted the announcement as of semi-official authority. In the House on May 5th Sir F. Borden stated the position of the Government as to General Sir John French's Report: "The Militia in Eastern Canada will, as recommended, be organized into cavalry brigades and infantry divisions. The ten Military districts will form six divisional areas, each of which will furnish one division, and, collectively, four cavalry brigades. This re-organization can be effected with practically no dislocation of the existing system, as each divisional command will include one or more of the present Military districts. The result of this change will be to place under each Divisional Commander the troops to form the division he would command on mobilization and tend to associate, during training, the units which would work together as a division in the field."

More units would be raised in cavalry, infantry and artillery; about seven years would be required to carry out the entire plan; no increase of expense would be incurred until 1912-13, and no change would take place at present west of Port Arthur. It may be added that the passing of Sir Frederick Borden from the Department, after the General Elections, evoked various tributes to his efficient work—the *Canadian Military Gazette* of Sept. 26th expressing much public opinion in this comment: "To have been Minister of Militia and Defence for Canada during a period of fifteen years is a unique record, and during that long time he has set his stamp upon the Force. Unlike many of his predecessors, Sir Frederick desired no other portfolio—he was satisfied with the Militia and the Militia was satisfied with him."

Mr. Oliver, Minister of the Interior, was warmly attacked during the Session and in the Electoral contest. He had to contend with a divided household in his own constituency at Edmonton and only obtained re-nomination after a keen fight within his party. In the Toronto *Telegram* of Apl. 27 there appeared details of the McGillicuddy charges made in letters to the Prime Minister and discussed with him on 7 different occasions by appointment. In the Commons on the 28th Sir Wilfrid Laurier said that "the gentleman in question (D. McGillicuddy) called on me and gave me the name of one of my colleagues and said that he had lost the confidence of the party, particularly in his own Province, that he was a boodler and a grafter, and for these reasons should go out of the Government. I said that I had no reason to doubt the honesty of my colleague, who is not only a colleague but a personal friend, and that I would accept the alternative." This alternative was to place the documents, etc., in the hands of the Opposition. The charge or inference, as afterwards amplified, was that Mr.

Oliver as Minister of the Interior obtained an Order-in-Council on the 8th May, 1907, giving the Canadian Northern Railway Co. power to select in the Province of Saskatchewan 600,000 acres of land in place of lands granted to the Manitoba and South Eastern Railway Co. and that on 3rd October in the same year $50,000 was paid into the Imperial Bank at Edmonton to the credit of Mr. Oliver, and that about one year later the further sum of $19,000 was similarly paid into the same Bank to the credit of Mr. Oliver.

In the House on May 2nd the Minister did not deny the statement of facts but did deny the inferences made or suggested. On the 3rd Sir Wilfrid Laurier moved the appointment of a Special Committee of five Members to investigate and inquire into the matter dealt with in Mr. Oliver's statement of the preceding day. Mr. R. L. Borden objected strongly that the Inquiry was useless unless its terms included the source of the money so deposited. He moved an amendment that the Committee should deal with all the charges and allegations made without the limitations proposed by the Government. Mr. Oliver followed and refused to state where the money came from on the ground that it was his private business and described his critics as the assistants of thugs and blackmailers. The amendment was voted down by 102 to 69 and a further one proposed by Mr. H. Lennox (Cons.) that a Royal Commission be appointed to inquire as to the origin and use of this money was also rejected by 99 to 65. The Premier's motion was then accepted and the Committee named by him on the 11th was composed of A. H. Clarke, F. B. Carvell, Victor Geoffrion (Liberals), with Arthur Meighen and T. W. Crothers (Conservatives). The Inquiry opened on May 18 and the evidence seemed to indicate that the transfer of land grants was put through by the Minister on the advice of his Departmental officers. Other meetings were delayed and the Opposition witnesses from Edmonton had not been heard when Parliament was dissolved. In his first Manifesto Mr. Borden denounced this action, in particular, as an evasion of these charges and of the Inquiry.

Mr. Pugsley, Minister of Public Works, was not especially before the public during 1911—except of course in the Elections and in respect to the large appropriations given his Department. Opposition charges were made as to a Dredging contract at Dalhousie, N.B., in the Public Accounts Committee on Feb. 2 and 3; a heated discussion took place in the House on July 26th as to a Dredging arrangement in the Gaspereau River, N.B. On Feb. 16 the Minister announced in reply to a query from Colonel Sam Hughes that, in future, the Union Jack would fly on all public buildings in border cities and towns and seaports every day in the year. On June 13 Mr. Pugsley was able to advertise for tenders in connection with proposed Harbour works at St. John involv-

ing an expenditure of millions. Ultimately, under another Government, the Norton Griffiths firm obtained the contract.

To the St. John *Telegraph* the Minister said at this date that his Department and that of Railways had many large undertakings in hand—the Hudson's Bay Railway, improved terminal facilities at Halifax, new branch lines to feed the Intercolonial Railway, surveys for the projected deepening of the Welland Canal, a contract with the Canadian Northern for guarantee of its bonds and immediate construction between Montreal and Port Arthur, assumption of Government control over lines subsidiary to the Intercolonial, improvements in Fraser River (B.C.) navigation, work upon the Western system of waterways extending from near Edmonton into the Peace River country and between Edmonton and Winnipeg, the dredging and building of breakwaters at the head of Lake Superior, improvement of the harbours on Georgian Bay, much building of wharves and dredging of harbours everywhere. The expenditures of this Department in the year ending Mch. 31, 1911, were $11,807,350.

The Minister of Railways (Mr. Graham) during the Session introduced a measure authorizing the Federal Government to lease the St. John Valley Railway when completed, under the auspices of the Provincial Government; stated on Mch. 10 that the Government had definitely decided to construct the Hudson's Bay Railway and present to Parliament a plan for its operation, for construction of Elevators and terminal facilities for its use and the establishment of a steamship service between Hudson's Bay and Great Britain. He expressed himself as favourable to both the Georgian Bay Canal and the Welland Canal deepening projects. On May 5th the Minister presented Railway Act amendments providing (1) for a joint Board to hear Crossing disputes between Provincial and Dominion Railways and to order the interchange of traffic; (2) requiring annual returns to Government from Telegraph, Telephone and Express Companies and reports from Railways as to accidents, when desired; (3) giving Government certain powers over a Railway allowed to fall into dilapidation and the Railway Commission power to compel railways to provide fire protection along their routes with authority as to regulation and price of the electric power sold by Power Companies; (4) allowing expropriation of unused railway lands for the purposes of other railways and the repealing of certain prohibitions as to cattle at large near a Railway; (5) providing conditions under which property owners could obtain damages from railways and compelling railways to fence the right of way during construction; (6) giving the Railway Commission regulating powers over the crossing of railways by wires and sewers.

In the House on May 11 Mr. Graham explained the terms of the Canadian Northern Railway guarantee. The proposals involved a total outlay by the Company of $50,000,000, a total

Government guarantee of $35,000,000 applicable to 1,050 miles of Line, a Government liability for interest totalling $1,225,000 a year. The Minister sketched the railway system of the West where, he said, the C.P.R. and G.T.P. and the C.N.R. were each building 700 miles of railway. The Canadian Northern, he stated, had 4,000 miles of line in operation in the Prairie Provinces while they were building a line from Yellowhead Pass to the Coast. He was impressed with the necessity of having that system connected as soon as possible with the Canadian ports of the East. The Line on which the Government proposed to guarantee the bonds would connect Port Arthur and Selwood and thence run to North Bay through the southern portion of the clay-belt of Ontario. The Government would probably pay the interest in question during construction and for two years of operation. The measure passed without much discussion and received its 3rd reading on May 17th.

The Minister of Railways dealt with the new Quebec Bridge contract during this period. The Report of the Commission appointed by the Government to deal with the question of re-construction had been submitted on Oct. 26th, 1910, signed by H. E. Vautelet, Ralph Modjeski and Charles Macdonald. The two latter members recommended acceptance of a design submitted by the St. Lawrence Bridge Co., a Canadian concern; Mr. Vautelet dissented because, presumably, it was not the lowest tender, and the Government called in H. W. Hodge, a United States Engineer, and M. J. Butler, C.M.G., to settle the matter. On Feb. 11, 1911, a Report recommended the acceptance of the St. Lawrence Company's tender and Mr. Vautelet resigned his position. On June 2nd Mr. Frank Docker, Chairman at a meeting in London of the Metropolitan Amalgamated Railway, Carriage, and Waggon Co., charged the Canadian Government with shabby treatment in this connection. His Company, he declared, had tendered in conjunction with the Cleveland Bridge Co., under the name of the British Empire Bridge Co.; and Mr. Docker detailed the circumstances under which their tender, said to be the lowest, and unimpeachable, was rejected in favour of the tender of a Canadian competitor who had failed to comply with the conditions of the original design. Mr. Docker added that, practically, the Canadian Government placed a contract of $8,650,000 without, so far as they could see, any actual competition whatever. This conduct he thought was not likely to commend itself to the British investor who had always been ready to find money for such projects in Canada. Mr. Graham's defence was that the British Company rested its chances in tendering upon the official plans and did not submit an alternative one as the St. Lawrence Company had done. Through the discussion of designs by Engineers and Minister Mr. Graham claimed he had saved the country $2,000,000. Mr. Docker returned to the charge on the 9th with

detailed facts which, he claimed, showed that while competition was called for, the contract was placed without it. It was after new members had been added to the Board that the St. Lawrence tender was accepted, though, Mr. Docker alleged, it was a million dollars higher than his. There the matter rested.

Mr. Rodolphe Lemieux, who had been Minister of Labour, and then Postmaster-General since 1906, with a record of successful effort and legislation, was appointed on Aug. 11th Minister of Marine and Fisheries in succession to the Hon. L. P. Brodeur, who retired to take a place on the Supreme Court of Canada. He was succeeded as Postmaster-General by Dr. Henri Severin Béland, a member of the Quebec Legislature in 1897-1902 and of the Commons since the latter date. Early in January the failure of the Charing Cross Bank in London caused statements to be made associating Mr. Lemieux and Sir Lomer Gouin with the matter. It was asserted that they were members of the legal firm at Quebec which was said to have been retained by the Canadian Company charged with causing heavy losses to the Bank. Details are unnecessary here though certain Conservative papers published sensational statements on Jan. 11. Both politicians denied, absolutely, the truth of the reports and nothing more of a definite character was heard of them.

Meanwhile Mr. Lemieux had been in South Africa as Canada's delegate at the inauguration of the new Union and returned at this time filled with Imperial interest and sympathies. "I come back," he said on Jan. 16, "after a journey over the world with the full understanding that the Union Jack, wherever it flies, is the symbol of progress and the safeguard of civil and religious liberty. The broad foundations of the British Empire are the bulwark of peace and freedom throughout the world." In May the Postmaster-General announced an increase in the salaries of Postal officials totalling $51,850. Shortly before his own retirement Mr. Brodeur in an address at Rouville, on July 23rd, referred to his colleague and coming successor as follows:

> We have been boyhood friends and have fought our political battles side by side. I am glad to see that this man who has been villified on every side, occupying, not only in this country, but abroad, a position of first importance in the public eye. He has fathered measures such as the Lemieux Act that have been models of legislation; he has settled a very difficult question between this country and Japan; and when I was in London recently Mr. Botha told me that Mr. Lemieux had won the esteem and admiration of everyone on the occasion of his visit to South Africa.

This Post Office Department in the year ending Mch. 31st handled 504,233,000 letters, 49,313,000 post-cards, 11,584,000 registered letters and 16,382,000 free letters; it controlled 13,324 Post Offices and issued money orders or postal notes for $77,280,364. The Marine and Fisheries Department of which Hon.

L. P. Brodeur had been the head since 1906 had in the year ending Mch. 31st received appropriations of $6,196,723 and expended $4,798,988. The new Naval Service Department had also been under Mr. Brodeur's control and it had charge of Naval affairs, Fishery protection, Tidal and Current and Hydrographic surveys and the Wireless Telegraph system. The 1st annual Report of Mch. 31st stated that regulations had been prepared for the management of the Naval Service and for recruiting—223 obtained to date—while the *Niobe* and the *Rainbow* had been purchased and placed at their stations. Royal Naval College arrangements were under way and instruction had commenced.

Meanwhile, Sir A. B. Aylesworth had been keeping charge of the Department of Justice until a successor could be appointed. His defective hearing had made him anxious for some time to retire from public life but the Reciprocity issue of 1911 and then the Elections, prevented his immediate resignation. He did, however, announce that he would not be a candidate for re-election in North York. A. H. Clarke, K.C., and Hugh Guthrie, K.C., were the favourite nominees of the press for the Portfolio. The Newmarket Canal, a curious project in connection with this Minister's constituency, though originating before his time, was fiercely criticized by the Opposition in the House on July 28 as it had been in preceding years. At the same time statements were made public by an Engineer named Walsh, who had early charge of the work, stating that it had been based on false premises and that his plans had been unwarrantably changed by costly enlargements. An incident occurring on Jan. 8th was a letter in the Toronto *Globe* from John S. Ewart, K.C., who had been employed by the Government in helping to prepare the Newfoundland Fisheries case for the Hague Tribunal, and who now pointed out that others besides Sir Allen Aylesworth had worked in that connection and shared in the preparation of the Canadian case.

Mr. Mackenzie King, the youthful Minister of Labour, was able on Feb. 10 to inform the Commons that the Lemieux Act, prepared by his predecessor and himself, had saved the country $16,000,000 in four years by the prevention or settlement of strikes. Mr. E. N. Rhodes (Cons.) congratulated the Minister upon the successful termination of the G.T.R. strike. At the Mohawk Lake (N.Y.) Peace Conference the Canadian Minister of Labour was credited with the first suggestion, in 1909, of a celebration of the 100th anniversary of peace on this continent. During the next few months the coming and actual coal shortage in the West, caused by Labour troubles, aroused much anxiety. Eventually the Minister recommended definite action to his Government and on Aug. 1 telegraphed the Acting-Premier of Alberta (Hon. C. R. Mitchell) that: "The Federal Government has passed an Order-in-Council, authorizing the remission of duties on coal, imported into Alberta on and after Aug. 7th, provided

work is not resumed at the mines by that date; such remission of duties to continue for a period of two weeks after the mining operations have been sufficiently resumed to meet public requirements." The Order was to apply to the Southern frontier west of Sault Ste. Marie and for the Provinces right through to the Pacific Coast.

The Minister of Agriculture (Mr. Fisher) gave interesting details to Parliament on Feb. 27th showing the expenditure since 1867 of $28,399,327 upon Agriculture or by the Department of Agriculture. In 1896 the yearly expenditure had been $383,431; in 1910 it was $1,492,520. During the Session this Minister presented a measure embodying definite arrangements as to the complicated and long-discussed Copyright issue. His legislation proposed to give the United States only such copyright privileges in Canada as were granted by them to Canadians. A book must be printed in Canada and registered in Canada under this Act in order to obtain local copyright. Reciprocity arrangements would be negotiated with Great Britain and the Dominions. This clause would, he expected, take Canada, like the United States, out of the Berne Convention. As with other measures this Bill was held over. On July 5th the Minister of Agriculture appointed W. H. Bunting, the well-known Fruit-grower of St. Catharines, to conduct an Inquiry into that industry and its development in Canada.

It may be added here that Sir R. J. Cartwright, the veteran Minister of Trade and Commerce, had charge in the Senate of a Bill—which was also held over—for the inspection and handling of grain and for the appointment of three Commissioners with wide powers to oversee its transportation, storage, etc., and the building of Elevators. Meantime Mr. Murphy, Secretary of State, had made public in January the result of his inquiry into the tangled affairs of the Department of Public Printing and Stationery. It had commenced on Nov. 27th, 1908, and concluded on Nov. 8, 1910. A loss of $94,164 was reported owing to overcharges by New York houses under the management of a late defaulting official and the Minister described a lamentable condition of inefficiency and incompetence. The subject was discussed in the Commons on Apl. 25th when W. B. Northrup (Cons.) moved for the appointment of a Royal Commission "to make inquiry into the management of the Printing Bureau, for such time past as the Commissioners may consider in the public interest, with instructions to inquire fully into the causes of the want of system therein and to report who is to blame therefor, and what safeguards should be provided to protect the country for the future." Mr. Murphy, in opposing the motion, reviewed the terms of his Report, the changes and improvements made in the Department since he became Minister, the savings effected and reforms contemplated. After further debate the Resolution was

rejected by 92 to 56. The annual Report of the Secretary of State (Mch. 31, 1911) showed 544 charters issued under the Companies Act for the fiscal year with a capitalization of new Companies totalling $458,415,800 and an increased capitalization in existing concerns of $24,715,000. The total of $483,131,400 was compared with that of $12,909,900 in 1900. The naturalization of aliens during the year was reported at 16,348, or a total of 146,-833 since 1906.

Meanwhile, on Apl. 4, the Hon. W. S. Fielding had introduced the last of the series of Budgets which he had commenced presenting to the House in 1897. The estimated revenue for 1909-10 was $97,500,000, the actual amount $101,503,710, the estimated expenditure chargeable to income was $81,000,000, the actual total $79,411,747; the capital and special expenditures were $35,971,911 of which $12,338,267 was added to the National Debt and the balance provided for out of revenue. "Note," said the Minister, "that we paid out of our revenue all the ordinary expenses of what we call Consolidated Fund, all the charges for railways and canals on Capital account, for Railway subsidies, for Dominion lands, for Militia on Capital account, and for Bounties, and also $7,600,000 towards the cost of the Transcontinental Railway." For 1910-11 Mr. Fielding estimated a revenue of $117,500,000 and an expenditure chargeable to Consolidated Fund of $87,000,000 or an estimated surplus of $30,000,-000 as compared with $22,000,000 in 1909-10. Against the expected Surplus the Minister placed the following items: "We shall expend, as closely as we can estimate, on public works, railways and canals chargeable to Capital, railway subsidies, bounties and other minor charges of capital and special character, $11,500,000. Add that to the $24,000,000 for the Transcontinental and we have an expenditure on capital and special account of $35,000,000."

The net Public Debt for 1911 was estimated at $340,168,546 or $43.69 per capita; in 1910 it was $336,268,546 or $44.90 per capita; in 1896 when the Laurier Government came into power it had been $258,497,432 or $50.82 per capita. It was stated that despite an expenditure of $43,968,000 on the Transcontinental in the past two fiscal years only $16,200,000 had been added to the Debt; it was announced that since the inception of the Bounty system for iron, steel and other products in 1884 which, in the main, was now expiring and not renewable, the total expenditure had been $21,031,700. Particulars were given as to the country's growing trade but Reciprocity was only referred to indirectly. "We are seeking new markets everywhere, our steamships run to all countries, many of them heavily subsidized; we are sending our trade agents over the civilized world; we are doing everything that is inconsistent with the policy of 'let well enough alone' because when things are going favourably that is not a reason for

doing nothing, it is rather a reason for being alert to avail ourselves of other opportunities. We need new markets in all directions."

Mr. George E. Foster analyzed the Minister's speech, rejoiced with him in the country's prosperity, reminded him of old-time denunciation of a Conservative Government for spending $40,000,000 of the people's money; compared the Liberal expenditure with the rate in 1896 and stated the excess over what would have been spent under the Conservative practice prior to that date at a total of $427,000,000; proved from figures published by the Government that the rate of taxation (*ad valorem* duties) paid in 1910 was greater than in 1896; claimed that there was now an adverse balance of trade totalling $90,000,000 against Canada and that its export of agricultural products was steadily decreasing—from a total of 56 millions in 1900 to 53 millions in 1910; described production, transport, distribution, finance, trade and every interest of the Dominion as being disturbed and restless owing to the Government's United States policy. He advocated the establishment of a Tariff Commission—not one to "arrange tariffs and make schedule rates," but a Tariff Commission of undoubted ability which should get root information with reference to prices and industries in this country and in other countries with which it competed. This Board should find out the cost of raw material and of working it up—including labour, the cost of production and of distribution. As eventually announced the exact Revenue for the year ending Mch. 31, 1911, was $117,884,328; the expenditure on Consolidated Fund account $87,774,198 and on Capital account, railway subsidies, etc., $35,087,052; the net Public Debt $340,042,052. The Revenue for the half-year ending Sept. 30, 1911, was $64,069,524 on Consolidated Fund account, and the Expenditure for ordinary purposes and Capital account was $48,251,483. On Dec. 31, 1911, there were $14,497,663 in the Government Savings Banks, a total of Dominion notes and specie in circulation of $115,149,749; a net Public Debt of $313,386,651.

During this period Mr. R. L. Borden, as Leader of the Opposition, had not been having an altogether easy time. The differences of 1910 over the Naval question had, no doubt, left some impression; the Liberals were naturally anxious to find elements of weakness in an Opposition which was causing them much trouble and threatening more. Hence a multitude of rumours, erroneous statements, and conflicting stories which appeared in the press at the close of March and early in April. It was alleged in one direction that Mr. Borden would retire in disgust and in another that he was being forced out; one Liberal paper thought the Party could not do without him and others, of course, asserted that a stronger Leader was wanted. On Mch. 27th Mr. Borden gave an emphatic and explicit denial to the rumours but still they

grew and multiplied. The Toronto *Telegram* published a long story from Montreal on the same day and this was copied by the Liberal press generally. All kinds of speculations were current as to a possible successor—Messrs. Whitney, Roblin, McBride, Rogers and Sifton being amongst them. The trouble, if there was any, appears to have arisen in Montreal, and certain names were freely bandied about in the Liberal press of men there, and in Ontario, who would not support the Leader. On the 29th a Conservative Caucus was held at Ottawa and Mr. Borden was strongly urged to retain the Leadership. A despatch in the *Mail and Empire* from Ottawa said: "The Conservatives, indignant at the reports that have been circulated, presented Mr. Borden with an Address expressive of their confidence in him, and adding the hope that he may lead the party to the triumph which the disruption in the Liberal ranks is preparing for it." It was interesting to note the personally complimentary tone of Liberal editorials at this juncture—the Winnipeg *Free Press* of Mch. 29th describing Mr. Borden as "a man of the highest character and of conspicuous ability." He was one of the men in the public life of the country whom, unquestionably, every Canadian regarded as worthy of the highest respect. "He is looked upon as a representative Canadian of whom Canada may rightly feel proud." On Apl. 3rd the Opposition Leader was in Montreal conferring with local Conservatives and on the 6th an official statement was issued from another Ottawa Caucus that the current rumours were entirely unfounded. A month later (May 5th) Mr. Borden gave his banquet to Messrs. McBride and Rogers and the good feeling of all was obvious, the optimism significant.

Little need be said here as to events in Parliament during this Session. Reciprocity was the one great theme and it has been dealt with elsewhere. Some Government legislation was, of course, effected, and more was attempted. The Canadian Northern Railway guarantee of bonds, the authorization of the Government as to a lease of the projected St. John Valley Railway, the amendment of the Railway Act in directions already indicated, a law making the sale of cocaine, opium and some similar drugs a crime under certain conditions, the creation of a Commission to administer the International Waterways Treaty, were all successfully piloted through Parliament by the Ministers concerned—Mr. Graham being responsible for the first three, Mr. King for the Cocaine legislation and Mr. Pugsley for the Commission. Legislation dealing with the storage of explosives, the prevention of the use of phosphorus poison in matches, the extension of the Intercolonial Railway so as to acquire subsidiary lines in the Maritime Provinces, various important amendments to the Grain Act which were earnestly urged by the Western farmers, Mr. Fisher's Copyright Bill, Mr. Oliver's Resolution validating Orders-in-Council relating to Western lands, Mr. Lemieux's Mont-

real Harbour legislation—these measures all had to be dropped owing to the pressure of Reciprocity and the enforced Elections.

A debate which was expected to be important, dealing with the Premier's attitude at the Imperial Conference, was cut out by Dissolution, as was the Inquiry into the Oliver charges and the Cement merger affair. As to the latter Sir Wilfrid Laurier promised to consider the appointment of a Royal Commission. The Bank charters expired under the ten-year term of legislation on July 1st and, as there was no opportunity to put through Mr. Fielding's amendments as presented by the Prime Minister to the House, an extension was granted for one year. All through the Session matters were more or less in confusion. Legislation was delayed or held up, estimates could not be passed, rumours were as rife regarding Liberal conditions as they were concerning the Opposition Leadership. The St. John *Standard* (Cons.) of Apl. 20, after describing the situation as unlike anything in Canadian history said: "There is open disruption and revolt headed by Sifton, German and Harris, muttered discontent everywhere in the Liberal ranks, here the Minister of Justice is giving three months' notice of retirement, there Mr. Clarke of Essex, the strongest Grit lawyer next to the Minister of Justice, is informing his constituency that he will not run again, and in the country prominent supporters are leaving the ranks and aligning themselves in an active opposition led by Sir George Ross, Sir Mortimer Clark, Sir Edmund Walker and such-like veterans of Liberalism."

Parliament had originally met in this 3rd Session, on Nov. 17th, 1910, with a Speech from the Throne read by H.E. Earl Grey. After a reference to his continuance in office for another year, the Governor-General referred with regret to the death of King Edward; mentioned the continued and ever-growing prosperity of the country in trade and production; described the results of the Hague decision as to the Canadian-Newfoundland fisheries dispute with the United States as "a fair and equitable adjustment"; dealt with the progress of the Transcontinental Railway, the purchase of the *Niobe* and *Rainbow,* the proposed rapid construction of the Hudson's Bay Railway, the progress made in Quebec Bridge matters; referred to the pending discussion with the United States of "a more liberal policy" in trade, the holding of a further Conference, and the Government's hope that at an early day an arrangement would be made admitting many of the products of the Dominion into the United States on satisfactory terms. The following reference was made in another connection:

While recognizing the importance of the Canadian home trade and the great value of the market for our staples in the United Kingdom, my Government feel that they should avail themselves of every opportunity to promote friendly commercial relations with the British Colonies and

foreign countries so that our surplus products may be admitted into the markets of those countries on the most favourable terms. In pursuance of this policy, commercial arrangements involving reductions of our Custom duties have been made with Italy and Belgium and a reduced schedule of duties has been granted to the Netherlands.

There were a few important discussions during the Session aside from the burning issue. On Jan. 18 Mr. Arthur Meighen (Cons.) introduced, seconded by W. D. Staples (Cons.) the following Resolution: "That in the opinion of this House, a substantial reduction in the import duties on agricultural implements is now due the agriculturists of Canada, and is in just accordance with the true ends of a Protective tariff." He stated the exports of Agricultural implements from Canada in 1909-10 as $4,319,-385 in value and the imports as $1,679,737 with a duty collected of $283,633. In all other lines of manufacture the exports totalled $3,506,307 and the imports $48,180,521. Mr. Meighen contended that these figures indicated a unique degree of favouritism for one industry and charged the Government with being essentially Protectionist in this and other directions. R. S. Lake (Cons.) also declared the Implement industry to be unduly protected and John Herron (Cons.) strongly supported the Resolution. W. E. Knowles (Lib.) declared himself a free trader but refused to support the motion. These were all Western members and the House adjourned without coming to a decision. W. M. Martin (Lib.), of Regina, proposed on Jan. 25 the following Resolution which was also discussed without a vote:

That in view of the investigations recently made by the Government into the conditions existing in the Terminal Elevators at Fort William and Port Arthur, and in view of the disclosures as a result of such investigations, it is in the interests of the Western grain producers and of Canada generally that such measures be adopted by the Government as will more effectively prevent the improper admixture of grain delivered to the several terminals and transfer elevators through which the grain of the Western Provinces may pass.

An academic Resolution of great length regarding the Senate was again presented by E. A. Lancaster (Cons.) on Jan. 30. It declared that during the past 40 years much dissatisfaction had been caused "by the actions of the Senate in regard to matters dealt with by the House of Commons and the rejection of laws sought to be made by the people through their representatives in the House of Commons and passed by the House, and by reason of the heavy expense and burden of taxation placed upon the people to provide for the maintenance of that two-fold system"; and urged the amendment of the British North America Act by the Imperial Parliament so as to permit of abolishing the Canadian second Chamber. Sir W. Laurier opposed abolition but would welcome practical plans for reform of the Senate. "If it were proposed to elect a certain proportion of the Senate by the

Local Legislatures and that we should retain the appointment of another portion in our own hands, perhaps we might find there a proper measure of reform. At all events the one thing to be kept in mind, in any reform of the Senate, is that the different sections of public opinion should be represented on the floor of the Senate." The Hon. George E. Foster would have liked to restrict the appointive power. "I would give the Government of the country the appointment of twelve or fifteen of the Senators, but these appointments should be for distinguished services, not patronage appointments at all." The balance should be elected by large constituencies under a system of proportionate representation and for terms of 7 or 10 years. On Feb. 27th Mr. M. Y. McLean (Lib.) moved a Resolution asking the Government to make the Senate "representative of, or directly responsible to, the people." It was withdrawn at the Premier's request.

Mr. F. D. Monk (Cons.) moved on Feb. 2nd a Resolution calling on the Government to appoint a Royal Commission of Inquiry into the recent Mergers organized in Canada so as to determine their influence upon the cost of living, the value of Canadian securities abroad, and the restriction of banking facilities. Some careful speeches were evoked and the debate adjourned. Mr. Mackenzie King opposed the motion, as he thought his legislation of the preceding Session, looking to control of such organizations, was sufficient. Mr. R. L. Borden pointed out that the combination of business interests had increased to an extent not dreamed of fifteen years ago. American trusts were establishing branches in Canada and prices were being regulated by American managements. These were as worthy of investigation as were Trusts originating in Canada. Mr. Borden agreed with a statement by Dr. Sproule that the existing anti-combine legislation was not sufficient to meet the situation. He thought the remedy for the present situation would be legislation rather than investigation and that an independent tribunal might be created to take up Combine cases on its own initiative. On Feb. 13th F. L. Schaffner (Cons.) moved a Resolution declaring that "the present system of operating terminal and transfer elevators is detrimental to the interests of the Western grain producers and that the Government should take immediate steps to operate terminal elevators at Fort William and Port Arthur and the transfer elevators between those terminals and the Atlantic seaboard." D. B. Neely (Lib.) moved an amendment stating that as a Government Bill dealing with the subject was now before the Senate it was not expedient to proceed with the motion. After the Western members of both parties had spoken favourably as to the general principle the amendment was carried by 96 to 54. A Flag debate took place on Feb. 27th as a result of the following Resolution presented by Thomas Beattie (Cons.) of London:

That proper regulations should be issued by the Government of the Dominion of Canada insisting that where a Foreign flag or ensign is displayed or used, either upon a flag-pole, private residence, vehicle, or in any other manner or place whatsoever, within this Dominion, by any person or persons except the accredited representative of a Foreign Government, a Union Jack of equal size and make shall also be hoisted or displayed therewith at the same time and place and that the Union Jack shall always be placed in the most prominent position on every such occasion.

Mr. Beattie dealt with the constant use of the American flag in Canada and his motion was warmly supported by G. V. White, J. W. Daniel, A. C. Macdonell, A. S. Goodeve, T. G. Wallace, W. S. Middlebro, Glen Campbell, W. R. Smyth, G. H. Bradbury, J. W. Edwards, A. B. Crosby, E. Paquet, J. E. Armstrong, W. B. Nantel—all well known Conservatives. It was opposed by E. M. Macdonald (Lib.) not as to policy but as to phraseology and detail; by D. B. Neely (Lib.) as unnecessary and embarrassing. Mr. Pugsley, Minister of Public Works, stated that a beginning had been made in respect to public buildings and that many of the Provinces were taking action as to schools; he liked the idea of regulation but considered its full application impossible. Mr. Fielding, Minister of Finance, regretted that Canadians did not make more use of their own flag, but thought the Government had no power to make the suggested regulations. The vote (upon adjournment) was a party one of 49 for and 89 against. Certain charges against Adelard Lanctot, Liberal member of the House from Richelieu, had meanwhile been under consideration by the Committee on Privileges and Elections and the Report of the Liberal majority of that body (15 to 10) was submitted on Apl. 27th by W. M. German. The original allegations made by P. E. Blondin (Cons.) were that Mr. Lanctot had in 1908-9-10 improperly used Government property and employed Government labour in constructing a house for himself at Sorel and the decision summarized by Mr. German was that if Mr. Blondin had made proper inquiries he would not and should not have submitted these charges and that the evidence disproved any wrongdoing on Mr. Lanctot's part. The facts, separated from a mass of verbiage, seem to be that Lanctot used the material and employed the workmen and, after a prolonged interval, indemnified the Government. Mr. F. D. Monk (Cons.) moved that the Report be not accepted, and that the Report of the Minority in the Committee declaring Mr. Lanctot's action a contravention of the Independence of Parliament Act be substituted. After a prolonged party debate the majority Report was accepted by 98 to 56. Parliament adjourned on May 18 with supplies granted up to Sept. 1st; it met on July 18 when various subjects were debated on the Opposition initiative and Reciprocity duly obstructed. Dissolution followed on July 29th. The chief appointments of the Laurier Government in 1911 were as follows:

Commissaire-Générale du Canada in France	Senator Philippe Roy.
Senator of Canada	Amédée Emmanuel Forget.
Senator of Canada	Joseph Marcellin Wilson.
Senator of Canada	Benjamin C. Prowse.
Superintendent Dominion Experimental Farm, Calgary	W. C. McKellican.
Commissioner of Dominion Parks (Ottawa)	James Bernard Harkin.
Chief Superintendent of Dominion Parks (Edmonton)	Howard Douglas.
Superintendent of Fisheries	W. A. Found.
Collector of Customs, Winnipeg	Andrew Strang.
Quebec Bridge Commissioner	C. C. Schneider.
Hon. Aide-de-Camp to H.E. the Governor-General	Commander W. B. Macdonald, R.N.
Hon. Aide-de-Camp to H.E. the Governor-General	Commissioner A. B. Perry, C.M.G.
Chairman, Board of Engineers, Quebec Bridge	G. B. Monserratt.
Director of Dominion Experimental Farms*	J. H. Grisdale.
Dominion Commissioner of Irrigation at Calgary	E. H. Peters, D.L.S., C.E.
Member of the King's Privy Council for Canada	Hon. Charles Marcil, M.P.
Member of the King's Privy Council for Canada	Hon. James Kirkpatrick Kerr, K.C.

Retirement of the Laurier Government; Accession of Mr. Borden to Power

With the announcement of the Electoral decision of Sept. 21 a mandate came to Mr. Borden, clear and unmistakable, and all that was left for Sir Wilfrid Laurier, after 15 years of Premiership in a greatly-growing nation, was to retire from office. Many were the tributes paid to him, personally by his opponents, politically and personally by his supporters. The Toronto *Globe* (Sept. 30) in dealing with "the proud record of the retiring Government" and the last 15 years of "unprecedented achievement and progress" said: "How much of this wonderful development is attributed to the Grand Old Man who has been the directing genius will never be adequately known. His intense national enthusiasm, his ambitious dreams for the greater Canada, his jealous guarding of his country's good name, and his unwearying activity and energy in all that made for Canadian weal, were the characteristics that burned themselves into the conception of all who came into close contact with him." A strong appeal went up from the Liberal press that he should retain the leadership of the Party, weld it together for a fresh start, and enable it to meet the difficult conditions of the next few years. On Sept. 25th it was announced that Sir Wilfrid would be Leader of the new Opposition. There were, also, newspaper rumours that he would shortly be offered the Presidency of the Hague Tribunal and suggestions from Conservatives as well as from other sources that he should be appointed High Commissioner in London.

While the Government was winding up its Departmental business there was talk in Conservative circles and papers as to matters being disposed of which should have been held over for the new Administration. The Ottawa correspondent of the Toronto

*NOTE.—In succession to William Saunders, LL.D., retired after many years' service.

News (Oct. 3) gave the details as follows: "There are three sets of contracts to which it is trying to commit its victorious successors. These are (1) the Quebec terminal matter, $745,000 with a total expenditure of two millions; (2) the St. John, N.B., dredging contracts at Courtenay Bay with an original appropriation of twelve millions of which $5,000,000 has been voted; (3) the Intercolonial extensions which will involve very large sums." It was stated that the incoming Government would repudiate such contracts. The first one only appears to have been completed—for which, it was asserted, tenders had been invited on the day of Dissolution and the Order-in-Council passed on Sept. 27th. The explanation of Mr. Graham, Minister of Railways, was that "the money was voted; tenders were regularly called for; and the lowest of them had been adopted. For three or four years we have been arranging for the site of this depot, and it has involved extensive negotiations with the City of Quebec, with private property owners, and with the railway people." There could, he thought, be no adequate reason for not putting it through. The Premier tendered the resignation of his Government to H.E. Lord Grey on Oct. 6th. Mr. Borden was sent for by His Excellency, and asked for a few days in which to arrange his Cabinet.

Meantime the Conservative Leader had been the busiest, most sought after, and discussed man in all Canada. Enthusiastic politicians of every kind sought Ottawa as a kind of Mecca; Provincial Premiers and Conservative leaders in various Provinces were invited in conference; deputations urging the selection of this or that favourite for Cabinet position swarmed into the city; myriads of letters filled with advice, suggestion, and opinions, poured in upon the coming Premier. On Sept. 26 the capital gave Mr. Borden an enthusiastic public reception on his arrival from Halifax, with the Union Jack everywhere visible and with cheering crowds in the streets, where a hundred men drew his carriage for three miles at the head of a long procession. Sir James Whitney was the first to be called in council and it was afterwards understood that he had declined the Ministry of Justice. In the newspapers Cabinet-making was the favourite occupation for at least two weeks with the general admission that Messrs. George E. Foster, G. H. Perley, F. D. Monk, Robert Rogers, and Frank Cochrane would be members. Aside from these, and the others afterwards selected who were more or less mentioned in the press, it was generally supposed that Messrs. Whitney of Ontario, Roblin of Manitoba, McBride of British Columbia and Hazen of New Brunswick, could have Portfolios if they cared to take them. Others suggested were Andrew Broder, J. E. Armstrong, Hugh Clark, A. C. Macdonell, Dr. T. S. Sproule, Haughton Lennox, Major J. A. Currie, S. Sharpe, W. F. Cockshutt, W. B. Northrup, W. A. Middlebro of Ontario; R. S. Lake, A. S. Goodeve, R. B. Bennett and C. A. Magrath from the West; O. S. Crocket and

J. W. Daniel from the Maritime Provinces. As to Quebec the guesswork included Henri Bourassa, Rodolphe Forget, R. H. Pope, H. B. Ames, T. Chase Casgrain, L. T. Marechal and those finally chosen. Sir W. C. Van Horne was frequently suggested for the Ministry of Railways. Sir Hugh Graham was again suggested for the High Commissionership in London. On Oct. 10th the Ministry was announced and sworn in by the Governor-General as follows:

Prime Minister and President of the Privy Council	Hon. Robert Laird Borden.
Minister of Trade and Commerce	Hon. George Eulas Foster.
Minister of the Interior	Hon. Robert Rogers.
Minister of Public Works	Hon. Frederick Debartsch Monk.
Minister of Railways and Canals	Hon. Francis Cochrane.
Minister of Finance	Hon. William Thomas White.
Postmaster-General	Hon. Louis Philippe Pelletier.
Minister of Marine, Fisheries and Naval Service	Hon. John Douglas Hazen.
Minister of Justice	Hon. Charles Joseph Doherty.
Minister of Militia and Defence	Hon. Samuel Hughes.
Minister of Agriculture	Hon. Martin Burrell.
Secretary of State for Canada	Hon. William James Roche.
Minister of Labour	Hon. Thomas Wilson Crothers.
Minister of Inland Revenue and Mines	Hon. Wilfrid Bruno Nantel.
Minister of Customs	Hon. John Dowsley Reid.
Minister without Portfolio	Hon. George Halsey Perley.
Minister without Portfolio	Hon. Albert Edward Kemp.
Minister without Portfolio	Hon. James Alexander Lougheed.

Mr. Borden thus became Prime Minister with a nation behind him on one broad general principle and with the respect and personal liking of almost everyone in a far-flung community. During his years of Opposition leadership he had first won the confidence of his followers in Parliament, then the confidence of his party throughout the country, then the confidence of the people as a whole. To do all this within a few years of time—as public life goes—was in itself a remarkable record; to defeat a presumably popular policy and a powerfully-intrenched Government under conditions which seemed at first sight to be hopeless had been an almost spectacular event. To attain such success after a political career of only 15 years was, of course, evidence of the possession of very clear-cut personal qualities; some of which, however, only a call to the highest responsibilities could fully impress upon the public mind.

Sir Wilfrid Laurier with all his rich reserves of personal magnetism and high oratorical ability was sixteen years in public life before attaining the Leadership of his Party and it was nine years more before the people made him Premier in 1896. It was in this latter year that Mr. Borden had entered Parliament from

Halifax and, in a quiet, observant, non-aggressive study of the political situation coupled with recurrent evidence of capacity as a cool, clear, and convincing debater, he sat for five years amid the wreckage of the great Conservative party which had so long ruled Canada. On Feb. 6, 1901, Sir Charles Tupper retired from the Conservative leadership in which he had spent this same period in the ungrateful and onerous task of re-organization and reconstruction and the Party in Parliament found that the most available, the most personally popular and respected member of the Opposition then in the House of Commons was Mr. Borden. He had been unanimously elected Leader and the country had awaked in a night to the fact of a new personality in politics, a new and almost unknown force in public life.

Mr. Borden's career up to this time had been progressive, uneventful and prosperous. Reputation had come to him in the legal profession which he had entered in 1878 and in which he had risen to some wealth, to the Presidency of the Nova Scotia Bar Association, to a King's Councillorship and several University degrees. Politically he had not up to 1896 been either active, interested, or prominent. Born in 1854 and reared amidst the beautiful scenes of the Land of Evangeline, imbibing from his ancestors and their memories the principles of the Loyalists who had left the Thirteen Colonies for a new soil and an old flag when the Revolution occurred, it was not unnatural that he should hold British sentiments with a considerable though reserved strength. Nor was it unnatural that he should leave the Liberal party with which he was at first nominally identified when, in 1891, it adopted the policy of Unrestricted Reciprocity with the United States and was defeated. It is one of the curiosities of Canadian politics that a man born in the year when the first and only Reciprocity Treaty was negotiated, who left his Party upon a still wider Reciprocity issue should, within a limited number of years, lead another party to victory against a new variation of the old policy.

The new Cabinet was, of course, not exactly what any one person or paper had expected; there were the inevitable men of capacity and public service, who could not all be included; there were those selected who were not and could not be acceptable to their political opponents. Mr. Borden, with his sweeping majority in Ontario, with the help given by so many Liberals in fighting Reciprocity, with the claims of his Nationalist supporters in Quebec, had faced a difficult task—a position which the Liberal press naturally did not attempt to lighten. The Liberal 18 of Toronto, and Liberal support generally, were recognized in the appointment of Mr. White—one which only a few ultra-strong Conservatives could object to and which the country, as a whole, approved. The Nationalists were recognized in the appointment of Messrs. Monk,

Pelletier and Nantel, who had all been Conservatives of the keenest kind for years before Nationalism was a factor in politics or was dreamed of as an element supporting the Conservative Party. Messrs. Doherty and Perley well represented the English people in Quebec though many would have liked to see Mr. Ames included; Ontario had excellent representation in Messrs. Foster, Cochrane, Crothers, Hughes, Reid and Kemp—the selection of Colonel Hughes being of special interest on account of his picturesque personality and that of Mr. Foster being a matter of course. The Conservative West was satisfied with Messrs. Rogers, Burrell, Roche and Lougheed—Mr. Bennett as associated with Senator Lougheed in the same City and Province being, for the time, inadmissible though his ability and services made many hope for his appointment. The Atlantic Provinces had the Premier himself and Mr. Hazen. Lovers of statistical detail proclaimed the average age of the Cabinet as 55, the number of native-born Canadians to be 15 out of 18, the number of lawyers to be 8; while a Liberal paper claimed that there were no farmers and no Presbyterians in the Cabinet. Mr. Foster was the only one who had been a member of a Dominion Government before though Messrs. Rogers, Hazen, Pelletier and Cochrane were men of Provincial Government experience.

Meanwhile the new Ministers had gone back to their constituencies for re-election and, on Oct. 27th, the Prime Minister and ten of his colleagues were returned without opposition. Mr. Burrell's election came a little later but he, also, was unopposed. Mr. Lougheed was in the Senate and the other two Ministers, without Portfolio, did not have to seek re-election. Dr. J. W. Daniel retired in St. John for Mr. Hazen, who had resigned the Provincial Premiership to become Minister of Marine; George Taylor resigned his long-held seat in Leeds for Hon. W. T. White; George Gordon vacated his seat in Nipissing for the Hon. Frank Cochrane. After varied rumours of opposition these Ministers, also, were eventually returned by acclamation. It may be added that the office of Solicitor-General—for which the names of H. McKenzie, K.C., of Halifax, A. C. Boyce, M.P. for West Algoma, and A. A. McLean, M.P. for Queen's, P.E.I., had been largely mentioned—was not filled at this time. A number of protests were threatened against elected members but, after conference in the Maritime and Western Provinces between the party managers, they were called off there; in Quebec Champlain (Blondin), Nicolet (Lamarche), and Maskinonge (Bellemare) were protested by the Liberals and Three Rivers (Bureau) with Richelieu (Cardin) by the Conservatives; in Ontario West, Kent (McCoig) and Norfolk (Charlton) were protested by the Conservatives and Haldimand (Lalor) with East Elgin (Marshall) by the Liberals with also a cross-appeal in Norfolk. In the last-mentioned riding

many charges were made against Mr. Charlton and his agents, including personation, undue influence with the Foreign vote, the lending, offering and promising of money, payment for meals, refreshments, drinks, horses, cabs, voters' travelling expenses, etc., and irregularities in the polling booths.

Echoes of the Election continued to be heard for some time. On Oct. 7th Mr. A. J. Balfour, speaking at Haddington, Scot., embodied British Conservative opinion as follows: "May our people approach the question of a tariff with the same broad spirit which animated the Canadian people in the decision they have just made. The Canadian decision extends far beyond their own border. It is going to be fruitful of great results to the Empire of which Canada is so important a part." On the 17th a public meeting was held at Chelsea to celebrate the Canadian victory for what Earl Stanhope (Chairman) termed "wider nationality and closer Empire unity." Lord Willoughby De Broke, Page Croft, M.P., L. J. Maxse, and others spoke. Sir Charles Tupper in the London press, just after the Elections, described the result as meaning "the consolidation of the Empire at no distant date." Speaking at Leeds on Nov. 16, for the first time as Leader of the Unionist Party, Mr. Bonar Law paid personal tribute to Sir Wilfrid Laurier and his Preferential Tariff and proceeded as follows: "The Election may turn out to be a landmark in the history of the world. We were told that the Reciprocity Treaty marked a great step toward Free-trade. If that were true, then the rejection of the Treaty was not a step but a leap backward from what they call Free-trade. We were told that the Treaty was the death-blow to the cause of Mutual Preference. If that were true then the rejection of that Treaty gives new life to the cause."

Another incident was the controversy over the Toronto *Globe* and its pre-election postage account. The Toronto *News* (Cons.) claimed on Oct. 10th, and afterwards, that the regulation imposing excess postage on newspapers sent out as campaign literature to non-subscribers had only been enforced by the Post Office Department against Conservative journals such as *The News* itself and had been abrogated as against *The Globe* and, perhaps, other Liberal papers; that the Toronto Liberal organ now owed the Government on this account the sum of $25,000. The Walkerton *Herald* and other Conservative papers stated that tons of extra *Globe* copies had been circulated in Ontario during the Elections; *Le Devoir* of Montreal endorsed these statements and submitted data. The *News* quoted the statement of Mr. Lemieux, Postmaster-General, in the House on July 27th, asserting that Clause 60 of the Post Office regulations would be strictly enforced. The *Globe* replied on Oct. 11th stating that, under protest, it had paid these excess charges and had understood the matter would be gone

into and settled after the Elections. "Upon *The Globe* being informed that each paper affected had made a request for a cancellation or refund of the excess charges *The Globe* made a similar request and, on Oct. 5th, received a letter from the Assistant Postmaster of Toronto returning the original cheque to The Globe Printing Co. and cancelling the excess charges. *The Globe* replied to this letter stating that it accepted the cheque on the understanding that all other papers were receiving similar consideration." On Dec. 15th the new Postmaster-General (Mr. Pelletier) sent notices to all newspapers in the same position as *The Globe* that they would have to pay regular newspaper rates on all extra issues mailed during the campaign. Another aftermath of the Elections was the statement contained in a special despatch to *The Globe* from Montreal on Dec. 12 declaring that the reason Archbishop Bruchési had not been made a Cardinal at the recent Consistory was because of his veiled partiality for the Nationalists during the Reciprocity campaign:

Some months ago the activities of the anti-Laurier, anti-Liberal, and pro-Bourassa Ultramontanes in the Church become so pronounced and unfair as to compel action by the Liberal leaders in self-defence. Repeated protests and sincere advice given to the partisan section of the Hierarchy pointing out the unwisdom, both on national and religious grounds, of the course being pursued had been without avail and finally recourse was had to Rome as the last resort. A petition signed by all the Catholic Federal Ministers and their followers in Parliament, by the Quebec Premier and by his Ministry, and by many of the leading Liberals of the Province, all of whom were faithful adherents of the Church, was sent to Rome protesting against this undue interference of the Ultramontanes in Canadian politics, giving warning that this course, if pursued, would lead to disastrous results, and urging that the supreme ecclesiastical authority be exerted to restore normal conditions.

It may be added that, on July 26, in accordance with the Reciprocity Agreement and by the President's Proclamation, entry was given by the United States to wood-pulp paper and paperboard from Canada valued at not more than 4 cents a pound and coming from private lands not affected by Provincial export regulations. After the Elections the matter of continuing this free admission went into the United States Courts for adjudication while German and other European Governments pressed for the same privilege under the terms of favoured-nation obligations which, however, the United States refused to recognize. At the close of the year, also, it was announced that the Imperial Government had been unsuccessful with the 12 favoured-nation treaty countries and had failed to obtain an abrogation of the Clause admitting their products to the countries of the Empire on the best terms given to any other country. In the British press it was added that the new Canadian Premier had requested the suspension of any negotiations which might be incomplete.

Another inherited matter was the inquiry into the stranding of H.M.C.S. *Niobe,* on the ledges off Cape Sable, in July, with

injuries of $175,000 in value. By instruction of the new Minister of the Naval Service a Court-Martial was held composed of officers lent by the Admiralty and convened by Rear-Admiral E. E. Bradford. Under British naval rules three officers were tried—Commander Macdonald because he had the supreme responsibility and his ship went ashore; the Navigating Officer, who missed his way in the combination of fog and current, off one of the most dangerous coasts in the world; and the Officer of the Watch. The *Niobe* was on its way, under orders of Mr. Brodeur, Minister of Marine and Fisheries and against the protests of Admiral Kingsmill and Commander Roper of the Naval Service Department, to be present at a local celebration in Yarmouth, N.S. The inquiry started at Halifax on Nov. 15th and resulted in the acquittal of Commander W. B. Macdonald, a reprimand to Lieut. Lord Alistair Graham, and the dismissal of Lieut. Charles White, the Navigating Officer, for carelessness.

Policy and Principles of the New Borden Government

The first important event shared in by the Borden Government was the welcome extended by its members to the new Governor-General of Canada, H.R.H., the Duke of Connaught. The Premier and his Ministers went to Quebec on Oct. 13 and at a luncheon tendered by the Dominion Government to His Royal Highness Mr. Borden said: "The representative of His Majesty in one of the greatest over-sea Dominions occupies a position, and exercises functions, of the highest responsibility. As the autonomous powers of these Dominions have increased the Crown has come to represent more and more to their people the majesty and power of the whole Empire. Thus a common allegiance to one Sovereign is not the least of those strong ties which to-day bind the self-governing Dominions to the heart of the Empire. It has been my good fortune to have been in many portions of the Empire, and what struck me most was that it was the King, the Crown, which was the great source of unity among them." The second function which the new Premier shared in was a Luncheon given him in New York by the Anglo-American Peace Centennial Committee on Oct. 28, when returning from a brief period of rest at Atlantic City. He took advantage of the occasion to diplomatically deny that Canada was hostile to the United States. "The proposals of the late Government were regarded as an essential departure from the policy which Canada has pursued during the past thirty years, and the electorate of Canada were not prepared to sanction or approve any such reversal of that policy."

At Halifax, on Nov. 2nd, the Premier was the guest of a great banquet given in celebration of the Electoral victory. He was accompanied by Messrs. Foster, Hazen, Cochrane, Doherty, Monk, Pelletier and Nantel, Hon. Dr. Sproule and Senator Landry, and was accorded an enthusiastic reception. After referring to the importance of the now decided issue and the gratitude

due to many Liberals, and officially expressed in the appointment of Mr. White, he dealt briefly with the coming policy of his Government. The Fisheries of the Maritime Provinces should be aided by the organization of a system of cold storage and transportation facilities which would enable them to supply Ontario, Quebec, and even the West, with fresh fish; encouragement should be given Agriculture by the establishment and maintenance of permanent highways to aid in transporting products to market; a permanent Tariff Commission would be organized to ascertain facts as to industrial conditions and cost of production and to give advice as to conclusions from the facts so obtained. "We propose also to extend that reform of the Civil Service which the late Administration carried out, in part, upon our initiative. So far as trade relations are concerned we believe that the true idea of Reciprocity can be found within the vast dominions of this Empire, with its wonderful variety of natural and other products which can be exchanged to the mutual advantage of all." Relations with Great Britain and the United States were further dealt with:

Canada is an autonomous nation within the British Empire and is closely and inseparably united to that Empire by ties of kinship, of sentiment, and of fealty, by historic association and tradition, by the character of its institutions, and by the free will of its people. By like ties of kinship, by constant social and commercial intercourse, by proximity and mutual respect, and good-will, this country is closely associated with the United States. Canada's voice and influence should always be for harmony and not for discord between our Empire and the great Republic and I believe that she will always be a bond of abiding friendship between them.

Many delegations waited upon the Premier at Halifax and a Luncheon was given in his honour by the local Canadian Club. Mr. Borden received the Premier of British Columbia, Hon. W. J. Bowser, and Hon. W. R. Ross, on Nov. 7th and discussed the long-urged better financial terms for the Province, the Oriental immigration question, and a settlement of various minor issues between the Province and the Dominion. He conferred with the Premier of Manitoba and Hon. C. H. Campbell, on Nov. 17th, as to the Boundary affair; received a delegation regarding the Georgian Bay Canal project on the 22nd and another, on the following day, as to the creation of a Federal square or district in Toronto; on the 22nd, also, came representatives of the iron and steel interests who urged the granting of a bounty upon pig-iron as "a partial compensation for the disabilities under which the industry is placed through the lowering of duties, exemptions, and discriminations," and asking for an investigation of the whole question and the industry in general by the proposed Tariff Commission. On Nov. 24, with Mr. White and other Ministers, he heard a Farmer's Bank deputation and the demand for a Royal Commission of Inquiry into that case; on the same

day came a Royal Institute of Architects deputation asking for the appointment of a Technical Commission to prepare a plan for the systematic embellishment of the Capital.

Mr. Borden was in New York on Dec. 8th as the chief speaker at a special Dinner of the Canadian Society; as the guest, on the following day, with Andrew Carnegie, of a Dinner given by the National Peace Centennial Committee. During this day also he motored out to Oyster Bay for luncheon with ex-President Roosevelt. In his Canadian Society address Mr. Borden dealt in a constitutional way with the differences and resemblances, advantages and defects, of the British and American systems of government. As to the Empire he considered the Monarchy one of its chief and best links of union; as to citizenship he was explicit: "All men are not born equal in their capacity and energy and in an individualistic world there can be no expectation of equality in results; but democracy will fail of its purposes and must cast aside all hopes of permanence unless it can accord and preserve to each citizen within the State reasonable equality of opportunity." Upon the Reciprocity defeat he spoke clearly: "For thirty years or more we have followed certain national ideals and policies which we firmly intend to pursue and continue in the future. We reached the conclusion that the recent proposals were inconsistent with those ideals and policies. Moreover we entirely disbelieve in the framing of tariffs by diplomatic methods." Canada wanted American trade but wanted it upon fair conditions. At present Canadian producers were met at the frontier with average duties of 43 per cent.; Americans with an average tariff of 26 per cent. Friendship and peace would always endure between the two nations; trade would find its level without binding treaties and complex fiscal arrangements.

During the Premier's periods of absence from the Capital, it may be added here, the Hon. George E. Foster was acting-Premier. The latter Minister devoted much of his time at this period to preparing the Tariff Commission Bill for Parliament and arranging preliminaries for West Indian and Australian trade arrangements. At a New York Canadian Society Dinner (Nov. 13) he expressed characteristic views of the recent situation: "We did not reject Reciprocity because we did not want to trade with you. We have for the United States two distinct feelings: admiration for your great progress and anxiety to avoid your mistakes. There was no animosity in our rejection of the Agreement. We did it because we did not like that kind of Agreement. We, in Canada, are British and we intend to remain British to the last crack of doom; and we couldn't remain so under Reciprocity." Meanwhile, many more deputations waited upon the different Ministers than can be mentioned and innumerable semi-private delegations also crowded the Capital. The Ontario Hydro-Electric Power Commission, through Mr. Adam Beck,

THE HON. JOHN DOUGLAS HAZEN, K.C., LL.D., M.P.
Minister of Marine and Fisheries.

COLONEL THE HON. SAM. HUGHES, M.P.
Minister of Militia and Defence.

In the new Borden Government, 1911.

urged Mr. Cochrane (Nov. 17) to lease to the Commission certain Power rights on the Trent Valley Canal; Mr. Rogers received, on Nov. 29, a deputation of Sikhs from British Columbia requesting removal of existing restrictions upon the bringing in of their wives and families and a general modification of harsh conditions attaching to British Indian immigration; and so with many others who thought a new Government would mean new opportunities.

The Minister of the Interior (Mr. Rogers) became conspicuous soon after his appointment by effecting a settlement of the Western coal strike which had been in operation for nearly 8 months and involved 25 mines with 7,000 miners. On Oct. 25 the Minister went to Lethbridge, brought the operators and miners into consultation and held conferences with them, separately as well as together, in at least a dozen meetings. On the 26th an Agreement was signed which was said to be generally satisfactory. It may be added here that the duties on Western coal, remitted by the late Government on July 31, were re-imposed on Nov. 22nd. Following these negotiations Mr. Rogers was welcomed to Winnipeg in a public demonstration on the 27th while his colleague, Hon. W. J. Roche, was being banqueted at Minnedosa. Mr. Rogers was greeted by thousands of citizens, welcomed by the Provincial Cabinet, of which he had been such a prominent and active member, and presented with a eulogistic civic address. On Nov. 30, with Dr. Roche, he was tendered a banquet by 1,000 representative men from all over the West amid obvious enthusiasm as to political conditions and pleasure at the personal promotion of the two Ministers. Mr. Premier Roblin was chairman and in his speech expressed the assurance that Manitoba would now come into her rights. Mr. Rogers referred to his efforts during the late campaign in organizing the Party work all over Canada and promised a satisfactory settlement of Manitoba's claims while Dr. Roche expressed the belief that Reciprocity would not be resurrected. J. A. M. Aikins, M.P., Arthur Meighen, M.P., and others spoke, including F. W. G. Haultain of Saskatchewan, who declared that the recent rally of British-Canadian sentiment would do much to bring about closer Imperial union.

Mr. F. D. Monk, Minister of Public Works, had some problems of immediate importance to handle. On Oct. 19th he announced that a Royal Commission of Inquiry would be appointed by the Government, upon his advice, to go into the Departmental conditions left by the late Government and report as to re-organization. By Order-in-Council, on Dec. 20, a Commission was appointed, with extensive powers, "to investigate and inquire into and concerning all matters connected with, or affecting the administration of, the various Departments of the Government and, especially (but without restricting the generality of the foregoing), the following matters: The methods

employed in the transaction of public business; the control of appropriations and expenditure; the construction and maintenance of public works and the carrying on of dredging operations; the administration, methods, and operations, of the chief spending Departments; the administration and alienation of the public domain; the discipline and efficiency of the Departmental staffs; the duplication of the same, or similar work, in two or more Departments. Any other matters embraced in the scope of the Order-in-Council of 8th May, 1907, or mentioned in the report of the Commissioners thereby appointed." The Hon. A. B. Morine, K.C., of Toronto, formerly a political leader in Newfoundland, was appointed Chairman with G. N. Ducharme of Montreal and R. S. Lake, ex-M.P., of Qu'Appelle, as the other Commissioners.

This Minister had always taken a warm interest in the Georgian Bay Canal matter and was known to have urged its consideration upon the new Cabinet. Speaking at a banquet given in his honour at Montreal on Dec. 15th he referred to the projected route as an admirable one and did not think there was any real rivalry between this proposal and that of the Welland Canal enlargement. He believed an expenditure of $20,000,000 would be required before the Port of Montreal would be in a position to properly compete with United States ports, and declared Civil Service reform and the removal of the Patronage evil vital necessities. As to personal politics he described Mr. Nantel, Mr. Pelletier, and himself, as strong Conservatives. "We have always been and always will be adherents of the Conservative Party." As to the Navy question it was part of a wider Imperial situation. "The question of our relations with the Empire, of what our duty is and, as British subjects, of what our rights and privileges are, that is a subject which I feel sure this Government, these new men, full of honest and loyal intention, will study carefully." He believed the result of their consideration would be approved by the country. The Minister was in Toronto on Dec. 12, accompanied by Mr. Hazen, Minister of Marine. At a luncheon tendered by the City Mr. Monk declared that the late Government had not done justice to inland ports, harbours, and waterways. As to Toronto it would be the duty of the new Government to see, without undue delay, that the Federal buildings and Harbour received proper attention. He described local demands made as reasonable and these included permission to close the old Western channel, the extension of piers on both sides of the new Western channel, the widening of the approach from the Lake *via* the Eastern channel, the continuance of the protection stonework along the Lake shore at the Island, the deepening of the Harbour generally, the establishment of a Central life-saving station and provision of better Harbour lighthouses, etc. Both Ministers expressed themselves in favour of a deepening of the Welland and Lachine Canals.

In a patronage connection much was said at this time as to the possible retirement or removal of the Montreal Harbour Board, which was composed of Liberals. At the banquet to Mr. Monk, already mentioned, C. C. Ballantyne made a speech praising the Hon. L. P. Brodeur—who, as Minister of Marine, had charge of this Harbour and who was said to have "taken it out of politics"—a course which it was stated Mr. Hazen would continue. No changes, therefore, were made in its personnel. At Ottawa Mr. Monk also dismissed in December about 150 employees of the Department of whom it was stated that 111 had been temporarily appointed just before the Elections. The Staff correspondents of the *Labour Gazette,* about 50 in number, were discharged as being partisans while, in connection with similar charges against Intercolonial employees, Mr. Cochrane appointed Emile Galley of Quebec, E. T. C. Knowles of St. John, and James McDonald of Halifax, to make an inquiry. A few other dismissals were made in different Departments with the natural result of much Liberal criticism in the press. The reply was that in 1896 the new Liberal Government had similarly dismissed 180 Welland Canal employees and replaced them by partizans; that an official return in 1897 showed 250 officials dismissed without investigation; that between 1896 and 1898 150 officials lost their positions in Montreal for being Conservatives.

To return to the Ministers it may be said that the first official speeches of the Hon. W. T. White aroused considerable interest, and that at Lansdowne, on Nov. 2nd, he outlined his personal convictions and public policy very fully. As to himself he had entered politics and the Conservative Party by the front door and without reservations; he had severed his connection with all financial institutions and it would not be for lack of effort if he did not live up to his new responsibilities. Mr. White described himself as in favour of Public ownership of utilities, as opposed to Tariff changes made without most careful consideration, as a personal admirer of Mr. Borden for rare qualities of leadership—"patience, quiet strength, honest purpose, idealism and progressiveness." In the matter of policy he wanted Tariff stability in prosperous times coupled with a constant study which would make easy necessary adjustments to changed conditions; he believed in Protection for the farmer, the manufacturer, and the labourer alike; he wanted Dominion co-operation with the Provinces so as to provide the farmer with better roads and the extension of free rural mail delivery; he favoured the moderate expenditure of public money for national purposes but with a dollar's value received for every dollar spent; he hoped to help in conserving our British heritage and strengthening the Imperial association; he believed Canada to be only on the threshold of a greater expansion and urged special consideration for the agricultural interests:

The prosperity of Canada must depend upon the productions of the farm more than upon anything else. We must seek to make country life attractive, to give the farmer all possible advantages, to assist in facilitating production. And we must be just and fair and generous to the West. It is a great market for the manufacturers and farmers of the East. The interests, the needs of the West, must be continuously borne in mind. Anything we can do to promote its settlement, to develop its resources, to assist in marketing its produce to the best advantage, will be work well done for the whole of Canada.

At Gananoque, on Nov. 4th, Mr. White declared that young men of to-day would see Canada with a population as large as that of Great Britain and with this Dominion as the centre of the Empire. "Just as sure as we are sitting here to-night we are only at the beginning. In some great scheme of Imperial federation—I do not know how it will be worked out—Canada will have an important part." The Naval question and the Nationalist position in Quebec naturally brought Hon. L. P. Pelletier to the front. At Quebec, on Dec. 9th, the new Postmaster-General was given a banquet attended, also, and addressed by Messrs. Hughes, Burrell and Nantel. The Hon. Thomas Chapais presided. Mr. Pelletier was explicit as to personal position. "I was invited to enter the Cabinet and was not asked to abandon a single article of my programme." At the same time Mr. Borden had on his side made no pledges. The Government would not proceed with the construction of ships; "it will consult the Empire and the Admiralty and the policy of the Government will then be submitted to the people." The Minister stated that Commander Roper, R.N., had, on Sept. 20th, reported to the late Government condemning the Naval conditions and delays of the moment while Admiral Kingsmill had, on Oct. 9th, reported condemning the policy of local construction as valueless for Defence purposes. The Borden Government had already arranged a reduction of rates on parcel postage to France, there had been a reduction in cable rates to England, and further negotiations were in hand. The Harbour Commission of Quebec would be abolished and replaced by a Commission of three and negotiations were pending for a great Union Station in that city.

As to the Quebec Bridge matter the Postmaster-General said: "The contract for the substructure has been given long ago to Mr. Davis for $3,350,000 and the work is well under way. The work for the superstructure was signed on the 4th of April last for $8,650,000. The apparent contractor is the St. Lawrence Bridge Co., but there is another Company associated with it. The date for the completion of the work is five years."

A. Lavergne, M.L.A. (Nat.), also spoke and said that to serve Canada was to serve the Empire, that Canadian patriotism had a double aspect and that the Nationalists believed Canadians, in emergency, should rally to the British flag. "The Laurier Navy would have been of no use either to Canada or the Empire. If

we participate in Imperial wars we should do so as equals, however. Nobody in this country has the right to change the constitution without consultation with the people." C. H. Cahan, K.C., A. Sevigny and J. M. Tellier, M.L.A., also spoke, as well as the visiting Ministers. On Dec. 7th Mr. Pelletier had received from Mr. Herbert Samuel, the British Postmaster-General, a cable stating that the reduced rates would come into operation on Jan. 1st. Cable letters and week-end letters were to be given a special rate and so, also, with deferred messages. The new deferred press rate was 5 cents a word. In the Commons, on Nov. 30, Mr. Pelletier stated that the Canadian Government had approved, through Lord Strathcona, of the Pacific Cable Board's decision to lay a direct cable between Australia and New Zealand. It may be added here in connection with the Naval question that, pending definite decision as to policy, certain details were allowed to go through as already arranged. In the official *Gazette* (Nov. 11) there was published the statement that "the Naval forces of Canada" would, with the King's approval, be designated the "Royal Canadian Navy" and the vessels "His Majesty's Canadian Ships"; while on Dec. 29th appeared the statement, in accordance with preceding Imperial arrangements, that "All ships and vessels of the Royal Canadian Navy shall fly at the stern the white ensign as the symbol of the authority of the Crown and at the jackstaff the distinctive flag of the Dominion of Canada."

Colonel Sam Hughes, Minister of Militia and Defence took hold of his position and work with aggressive energy and with every indication of public interest. He had summed up the electoral decision on Sept. 26th with the statement that as "the National policy of Canada was fixed in 1878 so its Imperial policy was fixed in 1911"; he stated on Oct. 17th that the Militia leaders of the country, the heads of Colleges, and representatives of Cadet corps would be called in conference to discuss Militia problems and the Conference, when it met, proved a great success; he announced on Dec. 6th that the guns which had been practically abandoned at Signal Hill, Esquimalt, B.C., in 1905, would now be mounted; he stated on Dec. 14 that improved barrack accommodation for Toronto and new Militia quarters at Montreal would be at once put under construction, reforms inaugurated in the Schools of Instruction, and a new method of uniforming the Militia arranged. At a banquet tendered the Minister in Montreal, on Dec. 20th, he declared that Canadians stood for "one flag, one King, one Navy and one Empire" and that the only navy for Canada was the British Navy. As to the Militia: "We have in our 7,000,000 population a million and a half capable of bearing arms. Give me a million of those men capable of hitting bulls-eyes and no foe can cross the borders of Canada. We have no leisure-class in Canada to keep up our military force and we have no militarism here. The people manage the Militia

force of Canada." *Le Devoir,* the Nationalist organ, did not like this speech and attacked the Minister in terms translated (in part) by the Toronto *Globe* as follows: "He has invited 25,000 school boys to go and make exercises in the fields and learn to become debauchees and play the fool at the expense of the State. He has drawn a map of the country as a vast field for manoeuvres where he proposes to enroll the nation and teach them, democratically, the art of shooting human game at a convenient distance."

As to other Ministers the Hon. C. J. Doherty was banqueted at Montreal by the St. Patrick's Society on Nov. 13th. The occasion was not a party one and Chief Justice Sir Charles Fitzpatrick, Sir Alexandre Lacoste, ex-Chief Justice of Quebec, H. B. Ames, M.P., Senator Dandurand, E. B. Osler, M.P., Mayor J. J. E. Guerin and J. C. Walsh (Chairman) joined in personal tributes to the new Minister of Justice. In his address Mr. Doherty made an eloquent appeal for high ideals and high conduct in public life; incidentally he suggested a public monument to D'Arcy McGee. A few days before this (Nov. 8) he had been given a banquet by 250 supporters in his own constituency and had defined politics as simply "working patriotism." At a succeeding meeting under the auspices of the 12 newly-organized Conservative Clubs of Maisonneuve Mr. Doherty and Mr. Hazen joined in strong support of the project, which had been launched by E. W. Villeneuve of Montreal, for the collection of $100,000 to erect a national monument to Sir George Etienne Cartier. An influential Committee was organized with Sir Charles Tupper, Bart., as Hon. President; Mr. Borden, Lord Strathcona and Lord Mount Stephen as Hon. Vice-Presidents; Mr. Villeneuve as President and C. A. Pariseault, John Boyd, H. J. Gagne and F. A. Jackson as Hon. Secretaries; George Baril and A. Fraser as Hon. Treasurers. As to matters of general policy the Hon. A. E. Kemp declared, on Nov. 2nd, in Toronto that "a complete re-organization and cleaning up of the big spending Departments at Ottawa, putting them on a sound business basis, will be one of the first duties which the new Government will undertake." In response to Hindu representations from the Pacific Coast a Commissioner was appointed to look into the situation. The principal appointments made by the new Government in October-December, 1911, were as follows:

Senator of Canada	Adam Carr Bell, ex-M.P.
Senator of Canada	George Taylor, ex-M.P.
Senator of Canada	Alphonse Alfred Clement Larivière.
Senator of Canada	Rufus Henry Pope,
Member and Chairman National Transcontinental Railway Commission*	Reuben Wells Leonard, C.E.
Special Commissioner for Immigration Department	Arthur Hawkes.
Canadian Member, International Waterways Commission	Charles Alexander Magrath, ex-M.P.

*NOTE.—In succession to Mr. S. N. Parent, ex-Premier of Quebec, resigned Oct. 6, 1911.

Canadian Member, International Waterways Commission	Thomas Chase-Casgrain, K.C., LL.D.
Canadian Member, International Waterways Commission	Henry A. Powell, K.C., ex-M.P.
Superintendent of Indian Agencies	Glen Campbell, ex-M.P.
Chief Geographer of Canada	Joseph E. Chalifour.
Member, and Chairman, Commission of Inquiry into Government Departments	Hon. Alfred Bishop Morine, K.C.
Member, Commission of Inquiry into Government Departments	Guillaume Narcisse Ducharme.
Member, Commission of Inquiry into Government Departments	Richard Stuart Lake, ex-M.P.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Lt.-Col. H. R. Smith, C.M.G., I.S.O.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Colonel A. P. Sherwood, C.M.G., M.V.O.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Lt.-Col. S. B. Steele, C.B., M.V.O.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Commander C. D. Roper, R.N.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Colonel J. P. Landry.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Lt.-Col. R. E. W. Turner, V.C., D.S.O.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Lt.-Col. V. A. S. Williams.
Hon. Aide-de-Camp to H.R.H. the Governor-General	Col. Sir Henry M. Pellatt, C.V.O.
Commissioner of Police, Province of Alberta	Phillip C. H. Primrose.
Postmaster of the City of Montreal	Louis Olivier Taillon, K.C.
Harbour Commissioner of Quebec	Victor Chateauvert.
Harbour Commissioner of Quebec	J. B. Letellier.
Harbour Commissioner of Quebec	Narcisse Belleau.
Inspector of Dominion Land Agencies*	Charles W. McWhirter.
Western Homestead Inspector	A. C. Douglas.
Police Magistrate of Winnipeg	Hon. Hugh John Macdonald, K.C.

The appointment of the Waterways Commission, as above, was a matter of some public discussion. The Canadian Commissioners were to be appointed by the King, on advice of the Canadian Government, and the Canadian *personnel* of the Commission was duly named by the Laurier Government on Aug. 11 and included Sir George C. Gibbons, the Chairman of the former Canadian Section, with Aimé Geoffrion of Montreal and A. P. Barnhill, K.C., of St. John. A preliminary and informal meeting was held at Washington with the Commissioners appointed by the United States—Thomas H. Carter of Montana, J. A. Tawney of Minnesota and F. A. Streeter of New Hampshire. Eventually, however, it was announced that the new Government considered it necessary for its representatives to be in harmony with Conservative policy and the new appointments were duly made as stated. Mr. Leonard's selection to take charge of Transcontinental Railway construction was a most popular one as combining experience, character and capacity.

The Meeting of Parliament; Nationalist and Liberal Policies

Meanwhile, Mr. R. L. Borden's first Parliament as Premier, and the 12th since Confederation, had been called to meet. There was also to be a Royal Governor-General for the first time in Canadian history. On Nov. 16th, H.R.H. the Duke of Connaught proceeded in state to open the Dominion Parliament and performed the function amid a degree of public

* NOTE.—In succession to the well-known R. E. A. Leach, one-time Liberal organizer in Manitoba.

interest, ceremonial and brilliance unique in Ottawa's experience. The Speech from the Throne referred to the pleasure felt by His Royal Highness in assuming the important charge entrusted to him by His Majesty the King, and in associating himself with the administration of this growing Dominion; mentioned Canada's continued prosperity and the growth of trade and revenues; promised legislation enabling the Dominion and Provinces to co-operate in creating better highways and roads and in giving aid and encouragement to agricultural production and in safe-guarding the soil's fertility; stated that bills would be introduced consolidating the Grain Acts, establishing Government control and operation of Terminal elevators at the head of the Great Lakes, and organizing a Tariff Commission "to ascertain by investigation and inquiry such information as will furnish a more stable and satisfactory basis for tariff legislation than has heretofore been available." The selection of the best route for the Hudson's Bay Railway was said to be under consideration and the following announcement was made: "The advantages that would result from a wider exchange of products between the various countries of the Empire are undoubted, in view of the wonderful variety and extent of their productions, and negotiations have been opened for improved trade arrangements with the British West Indies and British Guiana, which should prove advantageous."

The first action of the new Parliament was the unanimous selection of Dr. Thomas Simpson Sproule, member since 1878, as Speaker. A little later Pierre Edouard Blondin, a Conservative-Nationalist, was appointed Deputy Speaker. Of the Senate Lieut.-Colonel A. C. P. Landry was appointed Speaker. In his speech, following Dr. Sproule's nomination, Sir Wilfrid Laurier touched lightly upon the former's views as "the quintessence of Toryism" but referred in a most kindly way to his personal qualities. The ex-Premier gave the cue, also, to many succeeding speeches on his side by denouncing the Conservatives for ultra-loyalty, coupled with an alleged Nationalist alliance in Quebec and in the Cabinet. The Address was moved by R. B. Bennett, K.C., the eloquent member for Calgary, and seconded by Albert Sevigny of Dorchester who was described by friendly journals as "the best speaker in Quebec" and was said to bear, in person, a remarkable resemblance to Sir Wilfrid Laurier. The former defined the "scientific tariff" which he believed the new Government would create as one which should "ensure to the Canadian people the ordered use and regulated employment of their great resources and insure the manufacture within Canada of all those articles that can be economically produced in Canada." This, he thought, the West would support. Mr. Sevigny was impartial in deprecating a Navy built after secret arrangements in London or a Reciprocity created by secret negotiations at Washington. He proclaimed the loyalty of the French people, rejoiced in the com-

ing of the Duke of Connaught and added: "We have not in this country the sumptuous palaces of the Imperial Court, but we have seven millions of British subjects who say, with the same sincerity and the same joy, 'God save the King.' These seven millions have faith in the future and expect from their Government principles, acts, work, revenues, wealth and honesty. The heirs of the Conservative Party know that 'noblesse oblige.'" Sir Wilfrid Laurier followed in a careful treatment of the Reciprocity issue and the defeat of his Government. The policy had been taken up mainly because of the West and was supported because they believed it good for the whole country; it was defeated by appeals to passion and prejudice. He did not say, definitely, that it would be a continued plank in the party policy though Messrs. Pugsley, Oliver and Michael Clark intimated this in succeeding speeches. After dealing with the Navy issue and the views of Nationalism in Quebec he proposed the following amendment:

We beg to represent to Your Royal Highness that by Resolution of this House, adopted the 31st of March, 1909, it was affirmed that this House fully recognizes the duty of the people of Canada, as they increase in numbers and wealth, to assume in larger measure the responsibilities of national defence and, further, that this House will cordially approve of any necessary expenditure designed to promote the speedy organization of a Canadian naval service; that in pursuance of that Resolution the late Administration proceeded to adopt a well defined policy of naval organization; that with regard to that policy as well as to the whole question of naval defence, there is in the present Cabinet a flagrant conflict of opinion and that some of its members have repeatedly, both before and during the last Elections, denounced Naval defence in any form whatsoever. We respectfully submit to Your Royal Highness that it is a fundamental principle of constitutional government that the advisers of the Crown shall be heartily in accord on all important questions of public policy, and that the inclusion by the Prime Minister, in the present Cabinet, of members holding diametrically opposite views on a question of the highest importance to the Dominion and to the Empire, is contrary to the well-understood principles of responsible government and should not receive the approval of the House.

The Premier (Mr. Borden) dealt briefly and lightly with the great victory of his Party and the alleged unconstitutional action of the late Government in dissolving Parliament without proper supplies; with a situation in the West which, so far as it might be one of slight divergence from the East, was due to the teachings of the Liberal party; with a Naval policy on the part of the late Government which he described as involving an expenditure of $55,000,000 in the next ten years, a disunited Empire Navy and the construction of obsolete ships. As to his own policy it would be none of these things. "In so grave and important a determination, affecting for all time to come the relations of this Dominion to the rest of the Empire, it is infinitely better to be right than to be in a hurry. The question of permanent co-operation between

this Dominion and the rest of the Empire ought to be threshed out and debated before the people and they should be given an opportunity of pronouncing upon it. I say, further, that we shall take pains to ascertain in the meantime what are the conditions that confront the Empire." Mr. Hugh Guthrie was very vigorous in his denunciation of Quebec Nationalism as anti-Imperial, sectional, and tending to Provincial segregation. He described the Reciprocity proposal as dead, Mr. Monk as dominating the Cabinet, and the Government as afraid to move in the Navy matter.

So the debate continued, with excellent and sometimes very brief speeches from new members such as J. A. M. Aikins, K.C., Hon. J. D. Hazen, A. DeWitt Foster, J. H. Burnham, J. H. Rainville, W. A. Buchanan, Hon. W. T. White, and L. J. Gauthier. Old-time members and debaters such as Hon. R. Lemieux, Hon. H. R. Emmerson, J. A. C. Ethier, W. H. Bennett, D. D. McKenzie, Hon. W. Pugsley, E. M. Macdonald, and others, handled their Party cudgels with trained skill and vigour. A good many personalities were indulged in connected with Nationalist charges and counter-charges. The Hon. F. D. Monk (Nov. 23) summed up the situation, from the Conservative standpoint, in Quebec: "We never took up any other ground in the campaign, in the doctrine, call it what you like, that we preached, than this one: We are loyal subjects of the Crown, we do not approve of this plan and of this Navy; we use our rights to criticize it; it was adopted without any mandate from or consultation with the people; we pledge ourselves to accept unreservedly the verdict of the people consulted on this question." On Nov. 29th, Sir W. Laurier's amendment was voted down by 121 to 77 and the Address then passed without division. On this date, also, Mr. Hazen, Minister of Marine and the Naval Service, replied to enquiries as to the exact situation of the Naval scheme and the tenders received for construction as follows:

Tenders for building ships in Canada: Wm. Beardmore & Co., $13,055,804; Armstrong, Whitworth & Co., $12,842,000; Vickers, Sons, & Maxim, $12,712,152; The British and Canadian Shipbuilding and Dock Co., $12,464,518; Swan, Hunter and Wigham, $12,174,000; Cammell Laird and Co., $11,280,000. For building ships in England: The Thames Iron-Works, $8,532,504. These tenders did not include armour plate, armament, or certain fittings usually supplied by the Admiralty, but included the fitting of these articles on board the vessels. The plans were prepared by the British Admiralty. The first ships of the programme could probably have been delivered in England within about fifteen months of the placing of the order. The total programme could probably have been completed within about three years. The present Government is not acquainted with the reasons which prevented the late Government from placing the orders for these vessels.

During December several matters of importance were discussed in the House but no serious legislation completed. Public ownership as applied to existing grievances, and corporations, and

Railway conditions, was brought up by W. F. Maclean on Dec. 1st. The Prime Minister in reply said that he would be glad to know of definite cases in which Express or Railway rates were unsatisfactory and he would at once have them brought to the attention of the Railway Commission. He intimated that the regulation of capitalization in Companies was a matter which should and would have the Government's attention. Elaborate questions were asked the Government on Nov. 30 by Mr. Ethier, and on Dec. 4-5 by Mr Pugsley as to the Marriage question and the Ne Temere Decree. Mr. Borden on the 4th agreed with Sir Allen Aylesworth's opinion that the powers of Parliament and Provincial Legislatures in this respect were matters of law or legal interpretation of the British North America Act. The Hudson's Bay Railway project was discussed on Dec. 4th upon motion of D. B. Neely (Lib.) and the Premier stated that construction would proceed as soon, and as rapidly, as possible; the question of the contract for building the Transcontinental Railway station at Quebec, which had been awarded by the Laurier Government after the Elections, was also discussed and Mr. Cochrane, Minister of Railways, defended briefly his policy of refusing to go on with the matter in its present form.

On Dec. 4, also, E. M. Macdonald (Lib.) spoke at length on the desirability of uniformity in the Naturalization laws of the Empire. Mr. Borden described the situation as anomalous and unsatisfactory and one which would receive the Government's very special attention; Sir W. Laurier explained how he had pressed the matter upon the Imperial Government at the recent Conference. The Manitoba Boundary affair was briefly discussed on this date; the Cockshutt Plough Company and current prices of farm implements on the 5th; the dismissal of public officials by the new Government, and by the late Government when it came into power, on Dec. 6-7. On Dec. 7th Parliament was adjourned after the Minister of Public Works had made the statement, in reply to a question, that between 1896 and the end of 1911 $488,680 had been expended upon "improvements" at Rideau Hall. It may be added that the Address in the Senate had been moved by Hon. A. C. Bell of Pictou, N.S., and Hon. George Taylor of Gananoque. The Chairman of Committees in the two Houses were appointed as follows:

Select Committees of House.	Chairman.
Railways and Canals	Haughton Lennox.
Privileges and Elections	Samuel Barker.
Standing Orders	Dr. E. Paquet.
Public Accounts	W. S. Middlebro.
Banking and Commerce	Herbert B. Ames.
Agriculture	J. A. Sexsmith.
Marine and Fisheries	Clarence Jameson.
Mines and Minerals	A. S. Goodeve.
Forests and Waterways	Richard Blain.
Debates	J. D. Taylor.
Private Bills	Oswald S. Crocket.

Select Committees of Senate.	Chairman.
Divorce	Hon. J. N. Kirchoffer.
Banking	" William Gibson.
Railways	" F. Young.
Standing Orders	" Jules Tessier.
Private Bills	" H. Bostock.
Internal Economy	" J. P. Thompson.
Debates	" J. V. Ellis.
Public Health	" L. G. Deveber.
Civil Service Administration	" L. G. Power.
Public Buildings	" P. A. Choquette.
Agriculture and Forests	" W. C. Edwards.
Commerce and Trade Relations	" Sir George W. Ross.

Something must be said here as to Liberal incidents following the defeat of Reciprocity and Liberal policy as thus indicated. Mr. Mackenzie King, the young ex-Minister of Labour, was the guest on Oct. 18 at an imposing banquet given by his late constituents in Berlin. He stated that he had been offered a seat from Ontario but would not probably re-enter Parliament at present, eulogized Sir W. Laurier as having " blazed the trail of a new and higher Canadian statesmanship " and concluded with a declaration that " the battle of faith and fear " still goes on in every relationship of life. " Everything in the Conservative campaign played upon the fears of the people, while Liberalism sounded the note of faith—faith in the loyalty of Canadians, faith in the future of our country. Gladstone declared Liberalism to be belief in the many, tempered by prudence, while Conservatism was belief in the few, tempered by fear."

Dr. J. A. Macdonald of *The Globe* dealt frequently during the last months of the year with the defeat of his cherished policy of Reciprocity. Referring at Kansas City, Mo. (Oct. 19) to the recent Elections he said: " The Canadians had a great chance. They refused that chance. That refusal was not only in defiance of sound economic laws but was also in disregard of the historic example of Britain. But, Reciprocity or no Reciprocity, the trade relations between Canada and the United States will be made better. The great God who made this continent made it for the common people. The variety of climate and of soil and of food productiveness that distinguishes the zones from Mexico to the Arctic was meant to minister to the variety of needs, not of the privileged few, but of the average man. That beneficent purpose is being thwarted by the organized interests of private selfishness. For the moment that thwarting is made effective and easy partly because it was conducted in the sacred name of patriotism." On the 21st he was interviewed by the St. Paul *Pioneer Press* and was alleged to have stated that $1,500,000 had been spent in Canada to defeat the Agreement. Of this the Lumbermen contributed $500,000, the Papermen (presumably those of the United States) $500,000 and " the Interests " $500,000 more.

At Chicago, on Nov. 19th, Dr. Macdonald was reported as having said that Canadians now regretted their decision; but in Toronto a few days later, he denied this and said that United

States newspapers were not so reliable in the matter of reports, or interviews, as Canadian papers. In Boston, before the Twentieth Century Club on Nov. 28th, he was reported as saying that Liberals in Canada were more convinced than ever that they were in the right about Reciprocity: "Some day we will get it, or something that will serve the same purpose. I am sure that the hands will not go back on the face of the clock and that people on both sides of the Line will some day buy and sell with more ease. We must exchange our goods, we do it now against great handicaps; some day we will be wise enough to take the obstruction out of the way." In the *Contemporary Review* for November Dr. Macdonald analyzed the electoral results as due to "vague prejudice against the United States, distrust of the sincerity of American politicians, an uneasy fear that freer trade relations might in some way lead to closer political connection." He denounced the Chamberlain policy and declared that the United States market would soon be necessary for Canada. On Dec. 14 he stirred the American Association of Life Insurance Presidents at New York with a vigorous appeal for world-peace. "It is given to Canada to be the bond, the interpreter, between our two world-powers and to hold them in an inner fraternity around which will gather the new-born 'Fraternities of the world.'"

Although most of the Liberal press had, immediately following the Elections, been willing to let Reciprocity drop there were some, like *The Globe,* which kept the faith. "Reciprocity," said *Le Canada,* of Montreal, on Nov. 7, "is inscribed on the Liberal programme and will triumph sooner or later for the reason that it is the cause of the people and of liberty." The Montreal *Witness* adhered to this policy so, of course, did the *Grain Growers Guide* and the Regina *Leader.* But they were somewhat lonely in this matter, and the Hon. S. A. Fisher—free trader though he was—stated his belief at the Montreal Reform Club, on Nov. 4th, that the occasion for Reciprocity could not recur. As to the future he wanted "a sane but not sentimental" Imperialism. Mr. Lemieux, late Minister of Marine, speaking in Montreal on Oct. 31, declared religious feeling in Ontario to have largely aided in the Liberal defeat. The "Ne Temere" discussion, the Eucharistic Congress, the sermons of Father Vaughan, were, he thought, factors in the result. As to the future he said: "I am absolutely opposed to the principle of the proposed Tariff Commission as directly contrary to constitutional principles. I am also solidly against a cash contribution to the Imperial Navy, and in this I believe I speak for all Liberals." At a birthday banquet given to Sir Wilfrid Laurier, at Ottawa on Nov. 22nd, by the Liberal members of Parliament, the new Opposition Leader declared that he would "rather be right than be Premier," that he would lead his Party as long as his health permitted, that his policy would be one of adhesion to those principles of freedom, equal rights, and justice to all creeds

and all classes, which he had learned from "the highest traditions of English Liberalism."

In Montreal, on Dec. 16, the Hon. R. Lemieux described the prosperity of Canada as due chiefly to the Preferential policy of the Liberals and not to Protection. He was hopeful for the future. "The Tariff question is the most important of the day. The farmer and the consumer are asking for a change and they have to get it. They were blinded once but the people can not be caught twice with such false pretences as those used in the last campaign." A Canadian Navy built in Canada was the only navy acceptable to Canadians. At this time (Dec. 7) T. A. Low, M.P. for South Renfrew, resigned his seat in conformity with an agreement between the Executive Committees of the Conservative and Liberal parties of the Riding by which the Hon. George P. Graham would be allowed to go in by acclamation for the vacancy and T. W. McGarry (Cons.) be returned in the current Provincial campaign by acclamation. It was understood that the Conservative managers at Ottawa had disapproved of the arrangement although Mr. McGarry had been duly elected without opposition; that they did not feel bound by an agreement between local officials which was not endorsed by the party in the constituency as a whole; and that Dr. Maloney, the late Conservative candidate, had refused his consent to the Agreement. Mr. Low had received a majority of 600 in the Elections and there the matter rested at the close of the year.*

To the Liberals in these months Nationalism was a most important theme as representing principles which were undoubtedly unpopular in Ontario and, therefore, calculated to affect Conservative dominance in that Province. The party press did everything possible to combine Mr. Bourassa with the Premier in the public eye and mind; to picture the alleged influence of the former in Cabinet-making and in policy creation; to indicate a promised Referendum on the Navy question and differences in the Ministry thereon; to deprecate delay in the Government's decision on this latter point and to demand prompt action of some kind or other. The Toronto *Globe* (Oct. 16) declared that "the Tory Imperialists at Ottawa" had swallowed Bourassa "body, bones, and breeches." Mr. Bourassa, himself, did not seem so sure of his position. In his first speech after the Elections (Oct. 21) he said at Chambly-Canton that, as he was not very intimate with the Ministers, he was not in a position to say much regarding their policy. The group, however, which he had the honour to lead, would occupy the same position in the face of the new Government as of the old. As to the Navy issue it could never be settled without a direct mandate from the people. He suggested a Referendum with these questions for decision: (1) Do Cana-

* NOTE.—Mr. Graham was eventually elected, with the Liberal majority cut in half in a hotly-contested fight.

dians want to maintain their autonomy and spend their money in developing national resources?; (2) Do Canadians want to make a direct contribution to the British Navy?; (3) Do Canadians want to build a Navy which will be Canadian in time of peace and Imperial in time of war?

Mr. L. P. Pelletier, Postmaster-General, did not conceal the fact that he had advocated and would like to see a Referendum on this question and, at Lorette on Oct. 27th, declared that the papers left by the late Government showed that the initial cost of the Canadian Navy would be $37,000,000 with $6,000,000 a year for maintenance. *L'Evenement* (Cons.) agreed with this desire for a popular vote. Mr. Bourassa, in Montreal on Nov. 1st, reiterated his opposition to helping England in her foreign wars with either men or money (*Herald* report) because the best way to help the Empire was by developing Canadian resources and fortifying Canadian shores. In *Le Devoir* on Nov. 9th, however, and over his own signature, the Nationalist leader reviewed, almost sympathetically, a recent argument of C. H. Cahan, K.C., in favour of a Naval contribution by Canada in return for Imperial representation. At a Commercial Travellers' banquet in Montreal (Dec. 18) Mr. Bourassa declared that all Canadians wanted to establish a Canadian nation under the British flag. He desired the diffusion of the French language as a safeguard against Annexation and Americanization. The close of the year saw the Nationalist movement in Quebec a somewhat isolated idea, a rather intangible organization, with a journal, however (*Le Devoir*), which had much popularity and a large circulation. Rumours were also rife in Liberal circles as to the practical absorption of the Nationalists in the Conservative party. Meanwhile the Referendum idea had been vigorously denounced by the Montreal *Star* which continued a strong campaign for direct aid to the Imperial Navy; by the Montreal *Herald* (Lib.), by the Hamilton *Spectator* (Cons.) The British Columbia Premier (Mr. McBride) declared himself in favour of a Pacific Fleet unit such as the Admiralty had originally suggested; the Ottawa *Journal* (Cons.) wanted a Canadian Navy in co-operation with the British fleets.

The Farmers Bank Failure and the Public Interests

This small banking institution which suspended payment on Dec. 19, 1910, with—according to the Curator G. T. Clarkson, Jan. 7, 1911—Assets of $2,000,250 and Liabilities of $2,436,261, held a considerable place in public view during the year and was a minor issue in both the Dominion and Provincial Elections. The Farmers Bank of Canada had been incorporated July 18, 1904, and organized in Toronto during 1906 by W. R. Travers, who became its General-Manager with W. Beattie Nesbitt, ex-M.L.A., as its first President. The subscribed capital on Dec. 31st, 1906, was $577,600, the paid-up capital $300,240, the total Assets

$267,839; on Nov. 30, 1910, they were, respectively, $100,000, $584,500, and $2,616,683. From the beginning there was suspicion in financial circles regarding this institution. Through L. G. McCarthy, K.C., some shareholders on Oct. 8 and 19th, 1906, objected by letter to the Finance Department against the granting of a certificate—an objection afterwards withdrawn; and, on Nov. 30, Sir Edward Clouston, President of the Canadian Bankers Association, wrote the Department stating certain circumstances which he thought required investigation and hesitation in granting a certificate.

More specific information was sought by the Deputy Minister of Finance and apparently given by the General Manager, and the certificate was issued on Nov. 30 after the Deputy Minister of Justice had stated that the statutory declaration of W. R. Travers as to financial conditions was sufficient, if accepted, to show compliance with the statutory provisions, and that on such evidence the Treasury Board might lawfully issue the certificate. A flaring Prospectus had, meantime, been issued and a lot of small shareholders obtained, largely in the rural districts of Ontario. Special reports were asked for by the Finance Department from time to time; in 1908 the Bank got mixed up in the Keeley Mine speculation (Northern Ontario) and, on Dec. 7th, Secretary Knight of the Canadian Bankers Association wrote the Minister of Finance as to a Deposit Receipt of the institution being offered for sale in New York under peculiar circumstances; in 1910 a controversy with one of the Home Bank branches brought the Farmers' Bank and its condition into the Courts and on Dec. 19th suspension took place. It may be added that the chief shareholders at the time of suspension were G. Denoon, Milton; Allan Eaton, Mount Nemo; Dr. A. Groves, Fergus; John Sproat, Maneswood; Burge Gumby, Kellsite—all in Ontario; W. J. Lindsay, W. R. Travers, R. E. Menzie and Dr. T. H. Wylie of Toronto; John Tevis, Louisville, Ky., and M. D. Chapman, Trustee, New York. The Provisional Directors announced in the original Prospectus of the Bank included prominent men in different parts of Canada; those actually elected were Lieut.-Colonel R. R. McLennan, Lieut.-Colonel James Munro, Allan Eaton, Robert Noble, W. G. Sinclair, A. Groves, N. M. Devean, Beattie Nesbitt and John Gilchrist—all of Ontario.

In January, 1911, Dr. Beattie Nesbitt, who had only remained President during the first year and been succeeded by Colonel James Munro of Woodstock, was charged with making false returns to the Government and a warrant issued on the 17th for his arrest—the charge being afterwards extended and varied. Dr. Nesbitt succeeded in making an escape from his Muskoka home to the United States. On the 16th Travers had been sentenced to six years in the Penitentiary and he afterwards gave evidence and made full confession as to the Bank's affairs. Summonses were

issued against Dr. John Ferguson and Alex. Fraser of Toronto, A. S. Lown of Drayton and J. Watson of Listowel, Provisional Directors, for conspiring and agreeing unlawfully to obtain $10,000 (in commissions, etc.) from the Bank's funds but, after varied proceedings and delays, Mr. Justice Riddell on Nov. 23rd declared them not guilty. Other charges were made and tried against J. R. Stratton, J. J. Warren and W. S. Morden of the Trusts and Guarantee Company and Matthew Wilson, K.C., of Chatham; against Colonel Munro for wilfully making or signing false statements and against W. J. Lindsay; but all were eventually acquitted. F. Crompton returned $10,000 and was fined a small sum; George Wishart had judgment rendered against him for $49,000.

Meanwhile the failure had been discussed in the House of Commons on Jan. 23rd, 1911, and the official correspondence tabled by Hon. W. S. Fielding on Feb. 2nd. On the former date the Hon. George E. Foster made a vigorous attack upon the Minister for granting the Bank a certificate at all. " The Treasury Board had the application before it. The fundamental conditions are the subscription of $500,000 and the paying up and paying in of $250,000 of actual cash. Neither the one nor the other was done, and the only way that the $250,000 came to be paid in at last was that some men, the Bank not being in existence, not having running power, borrowed a sum of money." Meantime, on Jan. 17th, a large meeting of shareholders had demanded the appointment by the Dominion Government of a Royal Commission of Inquiry and also urged the Ontario Attorney-General to press an investigation of the Bank's affairs. The request for a Dominion inquiry, together with relief from the double liability, was presented to the Premier and Mr. Fielding on Feb. 3rd by W. Laidlaw, K.C.—supported by a number of members of Parliament. It was refused on Feb. 23rd. Travers, in his evidence on Feb. 18th, stated that W. S. Calvert, M.P., the Liberal Whip, had gone with him to urge Mr. Fielding to grant the certificate and that his intervention had been successful.

On Mch. 15 D. Henderson of Halton—where the farmers had invested or deposited money to the extent of $265,000 and $196,000 of double liability in the Farmers Bank—moved in the Commons that: " This House is of opinion that a Royal Commission should forthwith issue to inquire into and investigate the incorporation and organization of the Farmers Bank of Canada and the granting of a certificate by the Treasury Board permitting said Bank to issue notes and transact business, and all the circumstances connected therewith; and generally to inquire into and investigate the operation and efficiency of the Bank in relation to the affairs and transactions of said Bank." Mr. Henderson quoted six different warnings alleged to have been given the Finance Minister and contended that some kind of action should have been taken by

him. The Minister of Finance (Mr. Fielding) took the ground that in the incorporation of this Bank the Banking Committee and the House had shared responsibility with the Government and that the Opposition at no time objected or protested. As to the certificate Mr. Fielding read his letters of inquiry, and the documents in the case, and then proceeded as follows:

Undoubtedly that certificate, as has since been ascertained, was obtained fraudulently. The Minister was deceived, the Treasury Board was deceived, the whole country was deceived, by the whole proceedings of the Farmers Bank. There is this important point to be borne in mind, that although there was that fraud in connection with the payment of the capital at the beginning, although the notes were given when cash should have been given and all that was wrong and fraudulent; nevertheless, in most cases, those notes were ultimately paid and the cash went into the Bank and the Bank did possess the capital at a later stage. . . . The failure of the Bank came about not through any lack on that score, but because of the mismanagement of its affairs, which might have occurred no matter what had happened with regard to the issue of the certificate.

The Minister admitted having viewed the institution with doubt in succeeding years but he did not know then, or now, how he could have intervened without causing the ruin of the Bank and for that responsibility he was unprepared. Other speeches followed and Sir W. Laurier declared that there was no need for a Commission. The debate was continued on the 16th and the Resolution defeated by 97 to 62 votes. The subject was again brought up in the House by H. Lennox (Cons.) on May 2nd, with the following motion: " This House regrets that in permitting the Farmers Bank of Canada to commence and to continue business the Minister of Finance and the Treasury Board failed to exercise such proper care and to take such reasonable precautions as were necessary to prevent evasion of the law and to protect the public interest." He read correspondence showing that L. G. McCarthy, K.C., acting for stock subscribers in the suit which was later on settled and the charges withdrawn, had twice offered, in the interim, to go to Ottawa and give Mr. Fielding particulars of conditions which long afterwards were known to have existed.

Mr. Lennox read other letters, including Sir E. S. Clouston's warning of Nov. 30th—received the day after the certificate was granted—that " in connection with the application of the Farmers Bank of Canada for the usual certificate from the Treasury Board I have reason to believe that the money lodged, or to be lodged, at Ottawa as stock subscriptions cannot be regarded as paid-up capital, and that a large proportion of the amount necessary to the obtaining of a certificate is a loan made upon the promise of its payment when returned by your Department." The Minister had already made inquiries upon this point and accepted Mr. Travers' assurance (also of Nov. 30) that there was nothing in it. Mr. Fielding, in his reply, claimed that the

circumstances detailed were in themselves innocent and not unusual and that they were only worthy of note because of the failure of the Bank and of present political conditions. As to the letter of the President of the Banker's Association it merely said that he had " reason to believe " while against this was the sworn statement of Travers who was then a respectable man and associated with men of good standing in his Board. Moreover, not very long afterwards, the Provincial Government of Ontario deposited $25,000 in this Bank. The Minister laid stress, also, upon the fact that the institution was supposed to be organized in the interest of the farmers and that if he had held up the certificate and stopped organization he would have been attacked upon public grounds and, perhaps, rightly. The Resolution was lost by 97 to 63.

The comments of the press were to some extent guided by political feeling, but there was a concensus of opinion in connection with the trial and acquittal of Colonel Munro that Bank Presidents should be made criminally responsible for signing false or fraudulent statements to the Government. It was pointed out by the Toronto *News* (May 18) that the farmers of Halton County would not have invested largely in the stock of the Bank had the Treasury Board not inspired confidence by granting the certificate; and these farmers put up a strong fight against the payment of a double liability which almost ruined some of them. On Nov. 24 a deputation of 40 shareholders waited upon the new Borden Government at Ottawa and claimed that there had really never been a Farmers Bank of Canada, legally in existence, because the statutory cash deposit to the Government had not been properly obtained; that the depositors were, therefore, entitled to reimbursement at the hands of the Government while the shareholders should be freed from the double liability.

The Rev. G. C. Gilmour, as spokesman, declared that the late Government was responsible, and that the Finance Department had been guilty of culpable oversight in spite of many and repeated warnings. " The Bank's failure has caused a weakening of the people's confidence in their public institutions." W. Laidlaw, K.C., claimed that under the terms of the Bank Act the certificate was illegally granted and the Bank never entitled to operate. Mr. White, Minister of Finance, promised careful consideration and, early in 1912, a Royal Commission of Inquiry was appointed. Meantime the subject was much discussed in the Elections. It ensured the Conservative candidates' success in several Ontario constituencies; it was made to reflect upon Mr. Fielding in his own contest in Nova Scotia; it formed a staple subject of criticism by Conservative speakers in rural districts all over Canada. A special pamphlet was published by the Liberal organization and widely distributed with the following as the chief line of defence:

At the time the application was made to the Treasury Board to begin business a very large sum ($40,000) had been spent in the cost of promotion. Now, if the Treasury Board had refused to issue the certificate, this large sum of money would have been levied on the shareholders. The Bank could not have engaged in business. The shareholders would have received their money back, but not all of it, and they would naturally have asked: 'Why do we have to pay this money?' 'Because,' the General Manager would answer, 'the Treasury Board has refused to let us engage in business.' 'But have we not subscribed our capital? Have we not paid up the amount required? Have we not made the deposit of a quarter of a million of dollars? Did we not furnish the Board with a sworn statement of our Manager as to the *bona fides* of the whole undertaking?' 'Yes,' the reply would have been, 'you did all this; you complied with the law; you gave all the information that was given in the case of your predecessors; but Mr. Fielding and the Treasury Board arbitrarily decided not to allow the farmers to organize a bank.' The very men who now complain that the Bank was allowed to be organized would, if the certificate had been refused, have been the first to denounce the Treasury Board and the Government for refusing to treat the Farmers Bank as favourably as they treated others under similar circumstances.

In the Ontario Elections the Liberals freely denounced the Attorney-General's Department in Toronto for alleged carelessness in "allowing" Dr. Beattie Nesbitt, a one-time Conservative member of the Legislature, to escape arrest in this connection and the Provincial Treasurer for depositing public money in the institution. The reply to the former charge was that the Provincial Inspector of Detectives had been sent north to search for Dr. Nesbitt at his Muskoka home and had missed him by a few hours; that an early warrant had been issued for his arrest and every effort made then and afterwards to locate him with, ultimately, success in the ensuing year. To the latter the Hon. A. J. Matheson replied by writing *The Globe* on Aug. 24th that the main reason for the deposits made were the favourable returns shown by the Bank in the official *Canada Gazette* of Apl. 30, 1908.

The Ne Temere Decree and the Marriage Laws of Canada

During 1911 one of those curious sectarian issues developed in Canada which have from time to time moved public opinion in the Dominion to the depths and made Governments rock to their foundations. Stripped of technicalities the question from a national standpoint involved the general recognition, or otherwise, of the marriage tie when performed by a recognized minister of any denomination or in such way as the State should determine; from a religious standpoint it involved a surrender or loss by the Roman Catholic Church of one of its most cherished prerogatives or convictions—the control of the sacrament of matrimony amongst its adherents. The issue was not settled in 1911 but passed through the Courts of Quebec, was discussed in Parliament, proved a factor in the General Elections and was the object of an immense number of Resolutions by public bodies as well as of keen organized action by the Orange Order. The Catholic contention was simple in reality although very complicated in its legal appearance and in hostile literature and

oratory. In a general sense that Church claimed, and 2,000,000 people in Canada accepted the claim, that (1) Christian marriage is a sacrament, that (2) the Church alone has full and complete authority over all sacraments, that (3) the Church, only, can enact regulations for its own people in respect to such sacraments. It was, therefore, obvious that to the adherents of this particular Church there could be or should be only one authority regarding the details of a sacramental contract.

Upon several occasions the views of the Roman Catholic Church had been expressed in the form of official laws, or Decrees, binding upon its adherents. On Nov. 11th, 1563, its doctrines were expressed in the Decree Tametsi of the Council of Trent which declared that after its promulgation no marriage could be validly contracted except in presence of two witnesses and a parish priest; that all marriages attempted without the presence of these witnesses would be null and void and the parties incapable of contracting marriage. The regulations were made to prevent secret or clandestine marriages and they were not promulgated in non-Catholic localities or in regions with a mixed population. Pope Benedict XIV. on Nov. 4, 1741, declared, in reference to Holland and Belgium, that the Council of Trent decision applied only to Catholics and that in the case of non-Catholic parties marriage could be validly contracted without the presence of a priest. This "Benedictine Declaration" was extended to and published in Canada, or Quebec, on Nov. 24, 1764. Many years later the problem of mixed marriages developed in all countries and on Aug. 2nd, 1907, the Ne Temere Decree was issued at Rome addressed to Roman Catholics, enacted for them, and intended to regulate their marriages. It brought, or undertook to bring, all Catholic marriages under the same law, with the exception of Catholics of the Oriental Rites who preserved the ante-Tridentine discipline, and of mixed marriages in Germany. The object of the Decree was, apparently, to establish a uniform system, or nearly so for the whole Church. It applied, simplified, and extended the Tametsi Decree; at the same time it clearly asserted the hitherto vague authority of the Church in respect to mixed marriages. This law, or ecclesiastical claim, did not go into operation until April 19, 1908, and was not supposed to be retroactive—though in effect and practice it has occasionally proved so in Canada. It did not prohibit mixed marriages but held them to be invalid in the eyes of the Church unless performed by a priest of the Church and under special dispensation.

The Decree was greatly strengthened in Quebec by the existing Provincial law as to marriage which, in Article 127 of the Civil Code, declared that: "All priests, rectors, ministers, and other officers authorized by law to keep registers of acts of civil status are competent to solemnize marriages. . . . But none of the officers thus authorized can be compelled to solemnize a

marriage to which any impediment exists according to the doctrine and belief of his religion, and the discipline of the Church to which he belongs." In effect the Civil law of Quebec appeared to recognize the Canon law of the Roman Catholic Church. Legal decisions prior to 1911 had been given. Mr. Justice Jetté in 1881 and Judges Mathieu, Curran, and Lemieux in 1901, declared that only a Roman Catholic priest could marry two Catholics; while Judge Torrance in 1872 and Judge Archibald in 1901 declared that such marriages could be legally solemnized by any duly authorized minister. Altogether seven cases of this kind had come before the Quebec Courts with four of them favourable to Ecclesiastical practice and opinion as a part of the law of the Province and to the claim that under this law parties must be married according to the rules of the Church to which they belong. There had been no Dominion legislation on the subject except the Dominion law of the early Eighties legalizing marriage with a Deceased Wife's Sister and the British North America Act which controls all Dominion and Provincial legislation and which placed " the solemnization of marriage " under Provincial jurisdiction and the control of " Marriage and Divorce " under Federal authority.

During the year under review the discussion was heated at times, and into it were interjected varied stories of hardship or suffering created in individual cases by the operation of the Decree. The McCann incident and controversy in Ireland which was elaborated in such papers as the Orange *Sentinel;* the locally-discussed story of Very Rev. W. R. Burke and the mixed marriage and ensuing troubles in a well-known Toronto family; the libel suit by the late Charles Chiniquy's daughter against *Le Croix,* Montreal, for asserting that the one-time priest (her father) could not legally marry; the statement of the Rev. Father Comeau in the Winnipeg *Tribune* of Dec. 23rd that the Church did not recognize a mixed marriage performed by a Protestant clergyman and that if separation took place between such a couple the Catholic party might be secretly married to another Catholic by a priest without obtaining a legal divorce; the request in the Courts of a man named Gordon Dowden—married in Montreal 30 years before by a Protestant minister to another Catholic—asking for annulment under Church laws; the demand, also in Montreal, of a woman named Meunier for annulment of her marriage, performed in 1903, on the ground of blood relationship and the decree of the Archbishop on Nov. 3, 1911, granting the annulment; the case of Mrs. Brewer of Winnipeg (born a Catholic) said to have been refused the right to see her husband in the St. Boniface Hospital because of their marriage having been performed by a Protestant minister—these and similar incidents were used to influence public opinion throughout Canada.

When they were coupled with the Hébert case and its sensational surroundings and with the fact of 1,509 Roman Catholics having been married to non-Catholics in Ontario during 1910 the situation became obviously important. In answer to a question in the Commons on July 26 Sir Allen Aylesworth, Minister of Justice, stated that the Government would require further advice as to the power of Parliament to legalize or validate "any or every marriage" solemnized in Canada and that, in specific cases, the Government had "no power of jurisdiction in the premises." Upon details of the problem he was explicit in a letter written early in August and published in the press of August 7th:

> **Under the British North America Act everything relating to the solemnization of marriages is within the exclusive jurisdiction of the Provincial Legislatures. At the time Confederation was under discussion it was, so far as can be gathered from the utterances of leading Canadian statesmen, the deliberate wish and intention of those who had most to do with the framing of the statute that this should be so. The Provincial Legislatures, accordingly, have exclusive rights to legislate in regard to everything which relates to the formalities under which the contract of marriage can be validly entered into. The Provincial Legislatures have no power to annul a marriage and perhaps equally would have no power to declare by legislation any particular man validly married to any particular woman; but the Provincial Legislature alone can declare what the formalities shall be with which the ceremony of marriage must be attended in order that the contract may be one which shall be legally recognized. The Provincial Legislatures and the Provincial Legislatures alone have authority to declare what clergymen or officials shall have the legal right, within each Province, to solemnize a contract of marriage.**

Fiery Protestant speeches, deliberate and careful Catholic enunciation and re-assertion of the Ne Temere doctrine, strong Protestant Resolutions in public meetings followed, and surrounded, these incidents. Into the controversy was thrown the Hébert case. On July 14, 1908, Eugene Hébert and Marie Emma Clouatre, both admittedly Catholics, had been married in Montreal by the Rev. W. Timberlake, a Protestant Minister, on production of a license which he regarded as valid. A child was born of the marriage and shortly afterwards Hébert asked the Church to annul it on the ground of the ceremony being invalid. This Archbishop Bruchesi did on Nov. 12th, 1909, for the following reason: "Article 3 of the Ne Temere Decree states that only those marriages are valid which are contracted before the Curé of the place; the impossibility of the Rev. William Timberlake to act as Curé of the contracting parties, seeing that these are Catholics and the aforesaid Minister is a Protestant." The case was then taken to the Civil Courts by Dame Hébert and on Mar. 23, 1911, the Ecclesiastical law was upheld by Mr. Justice Laurendeau. The plaintiff then took the matter of annulment to another Court and the case came before Mr. Justice Charbonneau, in November, 1911, with a great array of legal talent on both sides—including Arnold Wainwright and G. V. Cousins, L. J. Lefebvre and P.

St. Germain. On Nov. 17th Hébert withdrew from the defence on the ground of insufficient funds but on Dec. 7th the Judge ruled that the arguments in the case should be continued despite this fact. The subject was argued at great length with much learned citation of precedents, history, legislation, treaty rights and ecclesiastical law. It was not decided at the close of the year.*

Meantime what of the Protestant view of Protestant Canada? It was claimed with many strong arguments, and in language more or less vehement, that marriage was a subject as to which the national law must be uniform and effective; that otherwise gross abuses would arise and helpless women and children be sure to suffer; that in any case the State and national laws were and must be above the Churches. The *Christian Guardian* of Mch. 22nd put the issue as follows: "If a Roman Catholic now becomes married to a Protestant by a Protestant minister, although that marriage is perfectly legal, and is recorded as such in the proper Registry office, any Roman Catholic priest is compelled to advise him that, in spite of the fact that the law of the country declares him to be married, he is not really married and, if he would save his soul, he must refuse to live with his wife. Although the man has pledged himself to love and honour and cherish this woman, although he seems bound by laws of probity and honesty, and by the ties of manly honour, to be loyal to the woman whom he has chosen as his bride, his Church steps in and bids him, at the risk of eternal perdition, to abandon her." The Civil law of Quebec was claimed to be different from that of the rest of Canada in this respect but the Toronto *Globe* (Mar. 29) described the general situation in these words: "There is absolutely nothing in the Civil law requiring Catholics to be married by their own clergy. That is Church law only and of no legal effect. Two Catholics or a Catholic and a Protestant, married by any properly ordained clergyman whatsoever, are husband and wife, and the Civil law will see to it that they discharge the legal obligations assumed by them under that contract." These two extracts indicate clearly the Protestant view of the matter.

Around and about them raged a war of words with fuel added to the flame of sectarian feeling in some quarters by the incidents already mentioned. The Orange *Sentinel* published a continuous series of vigorous editorials denouncing "the arrogant assumption of exclusive authority"; the infamous or atrocious Decree and its "insult to every Protestant Minister in Canada"; the "aggressive and intolerant Church" which aimed to limit the liberties of the Protestants of Canada, etc. In Toronto the Rev. Dr. W. H. Hincks, a Methodist minister, led a fierce attack upon the Church and the Decree. While avoiding intervention in Quebec's view of the matter he protested (Apl. 2) against the application of the

*NOTE.—Decision was given in favour of the Marriage, as a legal contract, on Jan. 21, 1912.

Decree in Ontario because the Marriage laws of the Roman Catholic Church were claimed to be immoral in their tendency and also incompatible with Canadian national unity. As to the Ne Temere Decree: "We denounce it as cruel, as arrogant, as an infringement on our Civil law, as immoral wherever applied, as the most bigoted piece of legislation attempted since the Reformation and, finally, as incompatible with the continued unity of this Canadian commonwealth." A series of sermons was preached by Dr. Hincks along these lines in Broadway Tabernacle of which the last was on Apl. 9—though it was not the last of his public speeches in the premises.

With him in vigorous denunciations of the Decree were clergymen such as the Rev. R. E. Knowles (Presbyterian) of Galt; Rev. J. W. Pedley and Rev. Byron E. Stauffer (Congregationalist) of Toronto; Rev. W. B. Findlay (Presbyterian) and Rev. W. T. Graham (Baptist) of Toronto; Rev. Dr. James Henderson (Presbyterian) and Rev. Dr. C. R. Flanders of Ottawa; Archdeacon Fortier of Winnipeg and Bishops Sweeny, Farthing, Mills, Perrin, Lofthouse and Pinkham of the Church of England in different parts of Canada; Rev. Dr. R. P. MacKay of Toronto and Rev. Dr. Duval of Winnipeg (Presbyterians). There was a tendency amongst these speakers not to exclude Quebec or any other country from their comments. "Shall Roman Catholic wife deserters," said Rev. Mr. Stauffer on Apl. 2nd, "be allowed to hide behind the Ne Temere Decree and be helped in so doing by the Courts of law?" The Rev. Mr. Findlay talked about conditions akin to the "Fires of Smithfield" period of history and Rev. Dr. Henderson described the Decree as a disgrace and intolerable. Bishop Farthing of Montreal, on Apl. 16, was explicit in his view: "The present state of affairs cannot be tolerated. We cannot submit to see marriages thus dissolved. We do not desire to interfere with any disciplinary measures the Roman Communion or any other communion may enact for its own members. If they choose to say that none of their faithful shall be married by any but a priest or minister of their own, that is a family matter; they are within their rights. But if two Romanists disobey that order and are married by another they cannot be allowed to touch the legality of the marriage so contracted, nor to affect the Civil status of the man and wife, nor of their lawful issue."

The language used in many directions was more than vehement and must be mentioned here to illustrate the stormy pulpit utterances of the period. "We want to know who is to rule this country, the Bishop of Rome or the King of England?" said Archdeacon Fortin in Winnipeg; "the Pope's proclamation that a marriage celebrated by a Protestant Minister is no marriage is grossly insulting and audacious, opposed to morality, the laws of

God and of Christian nations," said Bishop Mills of Ontario on June 13; the proclamation of such a Decree is "nothing more or less than an insult to the British people and to enforce it upon our nation is to take away its long-held and proudly-boasted British freedom," said Bishop Lofthouse of Keewatin on Aug. 9; "intolerable, indecent, and an insult to the laws of God and man," was the language used by Rev. Dr. MacKay (Dec. 29) in reference to Father Comeau's analysis of the Decree. The view of many Protestants that marriage is not a sacrament at all but simply a solemn civil contract was strongly expressed by speakers such as Archdeacon Fortin and the Rev. Dr. Graham. A multitude of formal Resolutions were passed by religious bodies of which the most important may be summarized here:

Apr. 1.—A Special Committee of the General Conference of the Methodist Church of Canada—present at the meeting N. W. Rowell, K.C., Hon. Thomas Crawford, E. J. Davis, ex-M.L.A., Rev. Doctors Antliffe, A. Carman, T. A. Moore and W. H. Hincks—publishes a strong protest against mixed marriages under the terms of the Ne Temere Decree and adds: "We maintain that any and all attempts to give effect to the provisions of this Ne Temere Decree, to the disturbance and ruin of duly-constituted families, must meet our firm resistance and cannot with us, as a matter of sacred conscience and civil and religious right, be tolerated; that we appeal to the Governments in our several Provinces to enact, if not already in existence, and enforce, such measures as shall forever confirm the validity of marriages duly solemnized by law; and thereby resist and check these foreign aggressions."

May 11.—The Presbyterian Synod of Montreal and Ottawa passes a motion urging its adherents not to share in mixed marriages, denouncing the subordination of Civil Courts in Quebec to Ecclesiastical tribunals and advocating amendments to the law making marriage a "purely civil act": "The Synod, while recognizing the right of all Churches to deal with their members according to their rules of discipline, does most emphatically protest against the admission of the claims of the Roman Catholic Church to have the right to call upon the Judiciary of the Province to give civil effect to its Ecclesiastical deliverances in this connection."

May 21.—A Pastoral letter, signed by the Archbishop of Rupertsland, Primate, and the Archbishop of Ottawa, is read throughout the Church of England in Canada. The Church's attitude toward marriage is defined as follows: "We desire to remind you that the Anglican Church in Canada has ever taken the strictest view regarding the sanctity of marriage. It is a holy ordinance, instituted by God, and is the foundation of our social and family life. The Church and State must unite to guard the marriage bond, and to preserve its indissolubility." Mixed marriages are deprecated but when solemnized are declared to be indissoluble. "The Church and the State, though separated by law, must unite in protecting those who have been married by a duly competent officer, authorized by the State for the solemnization of marriages, and in upholding their civil status and rights. Nor should the State permit marriage to be annulled for an ecclesiastical offence, or because it is contrary to the Canon law of the Church of Rome."

June 5.—Amidst great applause the following Resolution is passed by the London Methodist Conference: "We affirm our belief in the sacredness of marriage and abhor the numerous pretexts for its dissolution. We agree that mixed marriages between Roman Catholics and Protestants are to be discouraged, as producing neglect of individual and family religion, but for this Dominion or any Province of this Dominion to confirm by Parliamentary status the ecclesiastical enactment of the Ne Temere Decree is a yoke as impossible to be borne by the citizens of this Dominion as any yoke from which liberty has obtained freedom in the course of human progress."

June 7.—The Montreal Conference of the Methodist Church approves a long Resolution from its Committee protesting against the exercise of any ecclesiastical authority over the liberty of Canadian citizens in respect to the marriage ceremony: "That it is the strongest opinion and the persistent request of the Methodist Church that such legislation should be enacted as would place all of the subjects of His British Majesty in the Dominion of Canada upon precisely the same ground before the public and before the law of the land in respect of civil and religious freedom; still further in regard to the matter of mixed marriages. . . . While it recognizes the numerous evils that arise in most cases of such marriages, your Committee cannot recommend any interference with or tyranny over the rights of Protestants and Catholics, alike, to marry whom they please; yet your Committee submits that it should be made a crime, punishable by law, for a clergyman, as it is for a layman, to enter within the sacred precincts of the family and attempt by his teaching and influence to separate husband and wife, parents and children."

June 12.—The Saskatchewan Methodist Conference meeting at Regina unanimously asks the Dominion Government to secure the enactment of a marriage law which in its legal application would be binding upon the entire Dominion.

June 14.—The General Assembly of the Presbyterian Church of Canada, meeting in Ottawa passes a strong Resolution regarding the sacredness of marriage and presents these views: "That the Legislatures of the various Provinces be urged to remove as far as possible all ambiguity in the law respecting the validity of marriages, and provide that the legal hindrances to marriage should be defined by the Civil law and not by any Church or other body whose rules do not apply to the whole community. And, because the peace and training of our Canadian life has been greatly disturbed and the Civil rights to the people greatly interfered with by the publication and attempted enforcement in Canada of the Ne Temere Decree by the Church of Rome, we, therefore, in the common bonds of fraternity, so long and happily secured to us in our beloved land, record our respectful protest against the enforcement of that Decree in Canada and call upon all good citizens to resist the same and our Legislatures to render it impossible by law."

June 14.—The Ontario Synod of the Church of England meeting at Kingston passes this Resolution: "That the Synod desires to express its resentment of the Church of Rome's action in issuing the Ne Temere Decree and would respectfully suggest that all English Churchmen maintain a firm and courteous attitude of opposition to any attempted interference in regard to such a vital matter as that covered by the Decree which strikes a serious blow at the moral status of society in general and the sacredness of the home life."

Sept. 2.—A Report prepared by a Special Committee of the Church of England Synod of Toronto Diocese is published and suggests such legislation as would declare the validity of marriages solemnized under such circumstances as the Hébert marriage and others attacked; as would forbid any man or woman, lay or clerical, in the Dominion to impeach such marriage, to throw aspersions on the persons who have thus entered into the state of matrimony or question the legitimacy of the offspring of such marriage; as would prevent any proceedings based on the ecclesiastical illegality or invalidity of such marriage; as would punish any one entering into a household to cause a separation because of the absence of some religious requirement.

Oct. 16.—The Æcumenical Methodist Conference, meeting in Toronto, passes the following Resolution: "This Conference assembled at Toronto and representing the interests of world-wide Methodism, enters its emphatic protest against the Ne Temere Decree recently issued by the Church of Rome. While holding that the fullest religious liberty should be accorded to men of all creeds, the Conference repudiates the idea that any Church Decree should have the power to over-ride the civil law, and especially on such a subject as that of marriage, on which the welfare of any community depends. The Conference is further of opinion that the promulgation of the Ne Temere Decree is an outrage upon the elementary rights of citizenship."

Similar Resolutions were passed by the Methodist Conference of British Columbia, of the Welland, Hamilton, Guelph and London Districts, of the Winnipeg, Ottawa and Montreal (Southern and Northern) Districts, of the Charlotte County, N.B., Toronto West and South Winnipeg Districts, of the Provinces of Alberta and New Brunswick, of the City of Toronto. They were supported by the Evangelical Alliance of Toronto and St. John, by the Toronto Presbytery and the Evangelical Lutheran Synod, by the Presbyterian Synod of Saskatchewan and the General Ministerial Association of Toronto, by the Congregational Union of Canada, and the Congregational Women's Board of Missions, by the Western Association of Baptist Churches, the Baptist Association of Niagara and Hamilton, the Toronto and Ottawa Baptist Associations and a public meeting of Baptists in Toronto, by the Anglican Synods of Ottawa, Huron and Toronto. The Orange Lodges were, of course, vigorous in their denunciation. Strong Resolutions were passed by the Grand Lodge of New Brunswick on Mar. 23, by that of Manitoba on Mar. 1, by that of Ontario West on March 8, by an Orange demonstration in Victoria, B.C., on July 12 and at many other points on the same day, by the Royal Black Chapter of British America on June 27, and the Grand Orange Lodge of British America on June 30, and by many other organizations in the Order.

Roman Catholic feeling was not expressed in any stormy fashion nor was any public resentment shown at the fiery utterances of earnest Protestants. The matter appeared to be taken very quietly, with occasional assertion or re-assertion of the dogma

itself. It was argued that the position taken was analagous to that of the Church of England in relation to marriage with a Deceased Wife's Sister and to that of other Protestant Churches in their non-recognition of Divorce laws. Archbishop Bruchesi in a sermon at Montreal (Apl. 7) claimed that " since the Church of Rome looks upon marriage as a sacrament it has the right to regulate marriages." His Grace argued that it was perfectly logical for the Church to forbid the marriage of a Catholic before an officer of religion considered (by the Church) as incompetent to act in cases in which Catholics were involved. The trouble appeared to be that in some countries the position of the Church was maintained by Civil law, whereas in other countries it was not. " The divergence came from the Civil law, and not from the law of the Church." In an interview given to *The Globe* at Montreal, on Nov. 19th, the Archbishop said: " All the Protestant Churches have regulations governing whom they shall or shall not marry. I believe that the Church of England ministers are forbidden to marry divorced people. Well, the Ne Temere is a Decree made by us to govern our own people. Of course it has got into the Civil Courts but it was intended solely for our own people." Since the regulation in his Archdiocese forbidding mixed marriages, except by special dispensation, His Grace stated that the number had decreased from 170 to 2 or 3 in a year.

Bishop Fallon of London was explicit, in a statement to his people there, on Mch. 26th: " It is a piece of impertinence to say that the Church cannot make marriage laws to govern her own people. She has made the law and Catholics will abide by it or get out of the Church. Matrimony is a sacrament in the eyes of the Catholic Church, and when she says, what God has joined together let no man rend asunder, she means it for the rich and for the poor, the old and the young, the lettered and the unlettered alike. There is no way to get around it." The following argument was adduced by *L'Action Sociale*—a paper countenanced by the Hierarchy of Quebec and Manitoba—according to a translation in the *Canadian Century* of April 29th: " Neither the Canon nor the Civil law authorizes a Catholic priest to validly celebrate the marriage of two Protestants nor to accord them dispensation, and never have the Catholic priests claimed the right to pronounce the marriage tie in such case. And never have they interfered in the celebration of such marriages. Why then should the Protestants claim the right to validly join together two Catholics?"

Archbishop Langevin, in Winnipeg on May 28th, put the matter in these words: " The Church alone has the right to make laws concerning the validity of the sacrament of matrimony, and the State has absolutely no right to interfere. She would never think of dictating to the Church concerning the validity or non-

validity of the sacraments of baptism, confirmation or extreme unction. Why then should she try to dictate concerning the sacrament of marriage?" On June 17th the Catholic Truth Society of the Archdiocese of Halifax made public a statement signed by Sir M. B. Daly, President. It was claimed (1) that the Church did not regard the marriage of two Protestants, by a Protestant minister, as illegal—in fact if one or the other ever became a Catholic no new ceremony was required; (2) that since the Ne Temere promulgation the marriage of two Catholics, or one Catholic and one Protestant, by a Protestant minister or other civil authority was regarded as "invalid" and, properly so, in order to prevent hasty and ill-considered marriages; (3) that although invalid such a marriage was not illegal in the eyes of the Church except in the Province of Quebec; (4) that in the event of the Catholic party or parties, to such a union, desiring reconciliation to the Church they were only urged to have their union validated—not to abandon each other or the children.

There were, of course, a few strenuous comments by Roman Catholic ecclesiastics regarding the Protestant agitation and the most notable was, perhaps, that of the Rev. L. Minehan in Toronto on Mar. 26th. He asked this question: "Is it not time for respectable non-Catholics to take active steps to put down this devil's game? Are they not aware of the harm done to Christianity in every form by these successful appeals to ignorance and hatred?" Father Minehan quoted, one by one, the various unpleasant things said about the Decree, analyzed them and offered what he deemed proofs of their absolute falsity. Only one brief extract from the sermon can be added here: "To no other religion is the home as sacred as it is to the Catholic Church. Her whole energies are devoted to keeping the home peaceful and pure and loving, with God for its centre. She realizes that the home must be the recruiting ground of Heaven or Hell. And the vital principle of the home is not the material shell which shuts out the rain and frost but the wondrous, mysterious, union of two individuals who pledge themselves to be one in order that this union should be a principle of life for others." To meet this object one faith was deemed essential.

It can only be added here that no definite action was taken by Governments or Parliaments during this year though something was done in 1912; that the Ne Temere Decree was a natural though not a public influence in the General Elections wherever Orangeism happened to be strong; that this effect was, however, exaggerated and was probably no more prominent than was ecclesiastical support to Nationalism in Quebec; that politicians were more than content to consider the issue as at present a legal one—a matter for the Courts and constitutional decision as between the powers of the Dominion and Provincial authorities.

Record and Work of Canadian Clubs in 1911

The Canadian Club movement and work during this year was somewhat hampered by political activity and public absorption in a great issue which such Clubs could not discuss, or thought they could not, without getting mixed up in Party politics. Early in the year, and upon the same day, the Prime Minister (Sir W. Laurier) and the future Premier (Mr. Borden) had addressed Canadian Clubs upon non-political matters—one in Quebec and the other in Toronto. Lord Grey, as Governor-General, gave at least one address on Imperial unity and Mr. Bourassa one or two upon Nationalism before different branches of the organization. Mr. Borden, after he became Premier, addressed the Club at Halifax on Nov. 2nd and the Premier of New Zealand, Sir Joseph Ward, spoke at a number of places under Canadian Club auspices. The general work of the Clubs continued along the lines of previous years—hearing distinguished visitors or Canadians speak on important topics and organizing special lines of public activity in various localities.

In Vancouver the Club presented 10,000 small flags and buttons to the school children of the City for use on Dominion Day and arranged a series of addresses to the pupils on Canadian and Imperial topics; helped Mr. F. C. Wade in his efforts to erect a Canadian Memorial of General Wolfe in England; declared in the annual address of President Ewing Buchan on Nov. 14th that "the ostentatious display of foreign flags without special reason is to be deplored" and that the Club was in favour of a freer display of the Union Jack on all public buildings and elsewhere on public occasions. As to the Wolfe Memorial, at the General's grave in Gravesend, England, Mr. Wade announced in May that $8,000 had been contributed—the Vancouver Club and the Women's local Club giving $300 and the Winnipeg Club $500. The latter organization continued its efforts to promote a worthy local celebration of Empire Day and presented to each pupil of the schools a Canadian flag-button and contributed 4 University scholarships in the study of Canadian history. Loyal Coronation greetings were despatched to the King and Queen and birthday congratulations to His Majesty. Much local discussion and criticism was aroused by the address of Dr. J. G. Schurman of Cornell on Aug. 21st when Reciprocity was freely supported by the visitor.

In Montreal the Club passed a Resolution (Feb. 6) expressing gratification at the appointment of H.R.H. the Duke of Connaught as Governor-General; in St. John a special entertainment was given by the local Club to the visiting Sheffield Choir on Mch. 26; in Nelson, B.C., the Canadian Club on Mch. 11 expressed deep resentment at certain offensive statements in the *Spokesman-Review* of Spokane, Wash., regarding King George and sent word to the Editor of that United States journal that

"there existed on this side of the boundary line a chain of Canadian Clubs prepared to resent insults to the Crown" and that "the Canadian Club of this District as the nearest one to the scene, failing a retraction, is prepared to apply to the Postmaster-General at Ottawa to exclude the offending paper from the Canadian mails." The following were the principal speakers and addresses before these organizations during 1911:

I.—CANADIAN SUBJECTS

Club and Place.	Date.	Speaker.	Subject.
Athabasca Landing	Aug. 15	Colonel G. E. Sanders, D.S.O.	History of Canadian Clubs.
Athabasca Landing	Oct. 30	Hon. C. W. Cross, K.C.	The Future of the North.
Berlin	Nov. 28	Rev. L. Minehan, S.J.	National Greatness: Its Elements and Nature.
Brandon	Jan. 19	Bishop du Pencier	Canadian Resources.
Edmonton	Apl. 19	Hon. Frank Oliver, M.P.	The Mackenzie River Basin.
Fort William	June 6	Hon. Frank Oliver	Canada and its Progress.
Halifax	Mch. 28	Prof. A. Magill President Forrest Mr. Justice Russell Humphrey Mellish, K.C.	Canada and Popular Government.
Hamilton	Jan. 27	J. S. Ewart, K.C.	Canadian Independence.
Ingersoll	Nov. 7	G. C. Creelman, LL.D.	Agriculture in Canada.
Kingston	Apl. 7	H. W. Richardson	Transportation in Canada.
London	Jan. 5	Hon. Clifford Sifton, M.P.	The Value of National Conservation.
"	Dec. 5	Colonel J. M. Gibson, K.C.	The Military Training of Youth.
Montreal	Jan. 9	Hon. Clifford Sifton, M.P.	Conservation of National Resources.
"	Feb. 13	Arthur Meighen, M.P.	Western Conditions and the Tariff.
"	Mch. 6	Henry Holgate, C.E.	The St. Lawrence Waterway.
"	Mch. 13	John S. McLennan	History and Lessons from Louisburg.
"	Mch. 20	Hon. Frank Oliver, M.P.	The Position of the West.
"	Mch. 28	J. K. Cornwall, M.L.A.	The Last Great West.
"	Apl. 10	Henri Bourassa, M.L.A.	Nationalist Aims and Ideals.
"	Nov. 6	Prof. Howard T. Barnes	Ice Conditions in the St. Lawrence.
Niagara Falls	Nov. 9	C. C. James, C.M.G.	Specialization in Rural Pursuits.
"	May 9	H. H. Dewart, K.C.	Irish-Canadian Poetry.
Oshawa	Apl. 17	J. S. Willison, LL.D.	Duties and Privileges of Canadian Citizenship.
Ottawa	Feb. 25	Dr. J. W. Robertson, C.M.G.	The Value of National Conservation.
St. John	Apl. 4	Hon. W. J. Hanna, K.C.	Prison Reform in Canada.
Toronto	Jan. 5	R. L. Borden, K.C., M.P.	Canadian Problems and True Citizenship.
"	Jan. 24	Hon. A. L. Sifton, K.C.	Western Canada Conditions.
"	Feb. 20	F. D. Monk, K.C., M.P.	Some Facts About Quebec.
"	Mch. 27	J. K. Cornwall, M.L.A	The Peace River Country.
"	Mch. 31	Miss Hurlbatt Mrs. Sanford Evans	Public Health and Winnipeg Conditions.
"	Nov. 6	Hon. W. R. Riddell	Constitutional History of Canada.
"	Nov. 27	Dr. Andrew McPhail, B.A.	Prince Edward Island Conditions.
Vancouver	Feb. 28	R. H. Alexander	Early Days in British Columbia.
Victoria	Feb. 8	M. B. Jackson	Objects of Canadian Clubs.
"	Mch. 28	J. A. Macdonald, LL.D.	Canadian Ideals and Character.

II.—IMPERIAL SUBJECTS

Berlin	Jan. 12	J. S. Willison, LL.D.	Canadian Policy and Imperial Relations.
Calgary	Oct. 12	Sir Andrew Fraser, K.C.S.I.	British Rule in India.
Halifax	Jan. 3	Prof. W. L. Grant, M.A.	Peace: The True Imperialism.
"	Nov. 2	Hon. R. L. Borden, M.P.	The British System of Government.
Hamilton	May 9	Rt. Hon. James Bryce, O.M.	Britain and Canada.

Club and Place.	Date.	Speaker.	Subject.
Huntsville	May 19	E. C. Drury	Canada's Enemies—Protection and Imperialism.
London	Jan. 5	Bishop M. F. Fallon	Imperialism and International Peace.
McGill University	Nov. 7	C. H. Cahan, K.C.	Canada and the Empire.
Montreal	Jan. 16	Herbert B. Ames, M.P.	Some Impressions of Australia.
"	Apl. 3	T. B. Macaulay	Canada and the West Indies.
"	Apl. 13	Rt. Hon. Sir Joseph Ward..	Imperialism.
"	Nov. 17	Sir Andrew Fraser, K.C.S.I..	British Rule in India.
"	Nov. 26	C. H. Cahan, K.C.	Canada and the Empire.
"	Dec. 11	W. L. Hitchens	The Empire and its Dependencies.
Niagara Falls ...	June 1	Kelly Evans ..... C. R. McCullough ..... G. T. Blackstock, K.C...	Canada and the Empire.
Ottawa	Apl. 12	Rt. Hon. Sir Joseph Ward.	Practical Imperialism.
"	Sept. 27	H.E. The Earl Grey, G.C.M.G.	Canada and the Empire.
"	Nov. 25	C. A. Magrath, ex-M.P.....	Imperialism and Immigration.
Port Arthur	Feb. 11	J. Ellis Barker	Imperialism and Reciprocity.
Regina	July 10	Rev. Dr. John Clifford.....	Social and Political Conditions in England.
St. John	Jan. 5	Prof. W. L. Grant, M.A....	National Ideals and the Canadian Navy.
"	Apl. 24	Frederick Campbell	India and the Far East.
"	Nov. 20	Sir Andrew Fraser, K.C.S.I..	British Rule in India.
Toronto	Jan. 16	John R. Bone	The British Elections and Democracy.
"	Feb. 1	Dr. R. A. Falconer, C.M.G...	Canada and the West Indies.
"	Feb. 27	Hon. Rodolphe Lemieux....	Conditions in South Africa.
"	Mch. 20	Herbert B. Ames, M.P.....	Some Impressions of Australia.
"	Apl. 10	Rt. Hon. Sir Joseph Ward..	Practical Imperialism.
"	Apl. 24	J. A. Macdonald, LL.D.....	Imperialism and Internationalism.
"	May 8	Rt. Hon. James Bryce, O.M..	Britain and Canada.
"	Oct. 9	Hamar Greenwood, M.P....	Policy of the British Government.
"	Nov. 13	Sir Andrew Fraser, K.C.S.I.	My Life in India.
"	Dec. 11	C. A. Magrath, ex-M.P.....	Canada and the Empire.
"	Dec. 28	Dr. Sunder Singh	Justice to the Sikhs.
Vancouver	Mch. 22	Sir Edward Tennant, BART.	Canada from an Empire Standpoint.
"	Mch. 30	J. A. Macdonald, LL.D.....	Canada Among the Nations.
"	May 4	L. W. R. Mulloy	Imperial Defence and its Relation to Citizenship.
"	Sept. 9	British Press Delegates- Edgar Rowan ..... W. J. Hinton	Impressions of Canada.
"	Oct. 19	Sir Andrew Fraser, K.C.S.I..	British Rule in India.
"	Nov. 30	Arthur Hawkes	Immigration and Empire.
Victoria	Sept. 27	Admiral Lord Charles Beresford	British Politics and the Empire.
"	Oct. 17	Sir Andrew Fraser, K.C.S.I..	British Rule in India.
Winnipeg	Mch. 3	J. Ellis Barker	Imperial Federation and Tariff Reform.
"	Apl. 6	Rt. Hon. Sir Joseph Ward..	Imperial Unity.
"	July 6	Rev. Dr. John Clifford....	British Social and Political Progress.
"	Aug. 25	Rev. Dr. Clarence Mackinnon	Germany and the World's Peace.
"	Sept. 5	The Earl of Desborough....	Empire Sports and Policies.
"	Oct. 5	Sir Andrew Fraser, K.C.S.I..	British Rule in India.
"	Oct. 17	F. C. Wade, K.C.	Canada's Duty and the Grave of Wolfe.
"	Dec. 4	Arthur Hawkes	How to Canadianize Britain.
"	Dec. 7	J. Norton Griffiths, M.P....	Imperialism.

III.—RELATIONS WITH UNITED STATES

Chatham	Jan. 10	Hon. Wallace Nesbitt, K.C...	Tariffs and Reciprocity.
Edmonton	May 17	Charles F. Adams	Commission Form of Civil Government.
Kingston	May 12	Sir George C. Gibbons, K.C..	International Waterways and Relations.
Montreal	Mch. 16	J. Ellis Barker	Canada and Reciprocity.
Orillia	Mch. 16	Colonel George T. Denison..	Canada and Reciprocity.
St. John	Feb. 27	Rev. Dr. Tryon	The World Peace Movement.
"	Aug. 8	Hon. C. J. Bonaparte	Advantages of an Independent Judiciary.
Toronto	Jan. 10	Rev. Dr. Lyman Abbott....	Growth of Nationalism in the United States.

Club and Place.	Date.	Speaker.	Subject.
Toronto	Feb. 18	Hon. E. R. O'Malley	Governmental Problems of Canada and United States.
"	Dec. 19	Elbert Hubbard	The Brotherhood of Man.
Victoria	Feb. 23	J. Ellis Barker	Reciprocity between Canada and the United States.
Winnipeg	Aug. 21	Dr. J. G. Schurman	United States Relations and Reciprocity.
Woodstock	May 19	Sir G. C. Gibbons, K.C.	International Waterways and Relations.

IV.—MISCELLANEOUS

Hamilton	Apl. 27	William Maxwell	The Practice of Co-Operation.
Montreal	Feb. 9	Prof. J. A. Dale	The Principle of Compulsory Education.
Toronto	Feb. 6	Dr. Eugene Hannal	Economic Use of Fuel Supply.
"	Nov. 20	Charles T. Currelly	The History of Money.
"	Dec. 6	Rev. Bernard Vaughan, S.J.	Philosophy, Religion and Science.
Vancouver	July 27	Rev. Dr. James Stalker	Psalms of David and Poems of Burns.
Victoria	June 12	E. H. Sothern	Elevation of the Stage.
Winnipeg	Apl. 11	Dr. R. A. Falconer, C.M.G.	Reflective Virtues in Men of Action.
"	June 2	William Maxwell	Co-Operation in Practice.

V.—WOMEN'S CANADIAN CLUBS

London	Apl. 22	Rt. Hon. James Bryce, O.M.	Canada and the Empire.
Montreal	Mch. 8	Prof. S. B. Leacock	Economic Position of Women.
Quebec	Jan. 5	Rt. Hon. Sir Wilfrid Laurier	Romance of the Fur Trade.
St. John	Jan. 11	Rev. Dr. F. G. Scott	Poetry as a Vehicle of Emotion.
"	Mch. 11	Prof. Frank P. Day	Evolution of the English Novel.
"	Apl. 19	Prof. S. B. Leacock	Universities and National Life.
Toronto	Jan. 4	Sir George W. Ross	A Perspective of Canadian History.
"	Feb. 23	George T. Blackstock, K.C.	Political Conditions in Britain.
"	Apl. 27	Rev. Dr. Llwyd	Women in the time of Raleigh.
"	Nov. 13	Lady Fraser	The Women of India.
"	Dec. 13	Mrs. Pankhurst	Women's Work and Public Duties.
Winnipeg	May 11	Dr. R. A. Falconer, C.M.G.	Canadian Individuality.
"	Dec. 28	Mrs. Colin H. Campbell	Personal Experiences at the Coronation.

On July 18-19 the Association of Canadian Clubs held its third annual meeting in Winnipeg with representatives present from Montreal, Ottawa, Toronto, Berlin, Chatham, Peterborough, Regina, Kenora, Moncton, Hamilton, Portage la Prairie, Yorkton, Winnipeg, Calgary, and from the Women's Clubs at Vancouver, Berlin and Waterloo, London, St. John, Winnipeg and Calgary. The President, Mayor Sanford Evans, was in the chair and amongst the Delegates were C. W. Rowley, Calgary, E. F. Surveyer, K.C., and George Lyman, Montreal, J. R. Reid, Ottawa, R. D. Fairbairn, George Wilkie, Toronto, C. R. McCullough of Hamilton, originator of the movement, J. B. Mitchell, T. A. Hunt, R. H. Smith, J. W. Dafoe, Isaac Pitblado, K.C., A. J. Andrews of Winnipeg, R. F. McWilliams, Peterborough, W. Georgeson, Calgary, T. E. Perrett, Regina, Mrs. G. R. Crowe and Mrs. J. A. M. Aikins of Winnipeg.

Resolutions were passed (1) extending greetings to all Canadian Associations in the United States; (2) declaring it "highly regrettable that the transmission of information by telegraph between the various Provinces of Canada should be so expensive and difficult, and that it is desirable that Canadian information

should be obtained as cheaply as information from abroad and information from the various component parts of the British Empire as cheaply as from foreign countries"; (3) expressing the opinion that "while too much emphasis cannot be laid upon the importance of the work that has been done by the Canadian Clubs in the forming of public opinion, and in the stimulating of the national and Imperial consciousness, it is not desirable that this Convention should enter the domain of specific or controversial legislation"; (4) desiring the incoming Executive "to find out the best means of having the work and purposes of Canadian Clubs better and more widely known throughout Great Britain"; (5) congratulating various Clubs upon their efforts to have Dominion Day fittingly celebrated.

Amongst the subjects freely discussed was the work of Women's Clubs, the proposal to contribute toward a Memorial of Fitzpatrick, the brave R.N.W.M. Police officer, the ignorance of Canadian school children as to literature and history, the flying of the Union Jack more frequently and conspicuously, the improvement of civic government, and the statement of Mrs. George Black that "in Vancouver moving picture theatres an audience would go crazy if the Stars and Stripes were shown while the Union Jack would be greeted with subdued cheers." A Resolution relating to uniform naturalization laws in the Empire was presented by the Calgary Club and discussed but not passed. There was much discussion as to what might properly be discussed —the question of uniform Provincial laws introduced by Mr. Surveyer being one of the doubtful topics. One member asked for an official definition of patriotism but it was not given and Amos O'Blenes of Moncton humorously observed that he had said on the previous day that Canadian Clubs only talked, listened and ate. "It looks as if, very soon, they would only be able to eat." The proceedings, after various social entertainments, closed with a banquet, the selection of Fredericton, N.B., as the next place of meeting, and the election of the following officers:

Hon. President	C. R. McCullough	Hamilton.
President	W. S. Carter, M.A., LL.D.	Fredericton.
Vice-President	Mrs. C. S. Douglas	Vancouver.
Provincial Vice-President, Nova Scotia	D. McGillivray	Halifax.
Provincial Vice-President, New Brunswick	H. A. Porter	St. John.
Provincial Vice-President, Quebec	George Lyman	Montreal.
Provincial Vice-President, Ontario	Gerald H. Brown	Ottawa.
Provincial Vice-President, Manitoba	R. H. Smith	Winnipeg.
Provincial Vice-President, Saskatchewan	Charles Hodgkins	Regina.
Provincial Vice-President, Alberta	R. B. Bennett, K.C.	Calgary.
Provincial Vice-President, British Columbia	D. Von Kramer	Vancouver.
Hon. Secretary	Amos O'Blenes	Moncton.

New Clubs were organized during the year at Indian Head, Sask., on Nov. 2, at Niagara Falls on June 1st with 200 members at the close of the year, and at Oshawa, Ont., on Apl. 18. The students of McGill University also formed one on Apl. 3rd. Several organizations were got under way in Saskatchewan under the

auspices of William Trant of Regina. New Women's Canadian Clubs were formed at Edmonton and Calgary with various prominent local women as officers and, in the latter case, with 350 members increasing to 425 at the close of the year. In this matter of membership the Winnipeg Club during 1911 had 1,163 members, that of Victoria 232, Montreal 1,344, Huntsville 120, London 228, Halifax 425 and Toronto 1,800. The Women's Club in Winnipeg had 660 and in Victoria 145. The following summarized particulars of Canadian Clubs in 1911 are of value:

ONTARIO

Place.	President.	Secretary.	Date of Organization.
Barrie	Daniel Quinlan	S. McAdam	1907
Belleville	C. M. Reid	J. L. Hess	1907
Berlin	Richard Reid	Findlay Weaver	1908
Bowmanville	J. H. H. Jury	Dr. Bonnycastle	1909
Brantford	George M. Muirhead	A. M. Harley	1907
Brockville	H. A. Stewart	A. M. Patterson	1909
Chatham	Col. F. Stone	William Forman	1910
Collingwood	Dr. G. M. Aylesworth	A. H. Cuttle	1907
Cornwall	J. A. Chisholm	J. G. Harkness	1906
Fort William	Dr. C. C. McCullough	A. A. Wilson	1907
Guelph	J. J. Drew, K.C.	R. Harcourt	1907
Hamilton	C. R. McCullough	Charles E. Kelly	1892
Huntsville	J. W. Hartt, M.D.	E. C. Wainwright	1910
Ingersoll	J. Anderson Coulter		
Kenora	Allen McClellan	M. McCullough	1910
Kingston	O. D. Skelton	L. W. Gill	1910
London	S. Frank Glass	John M. Gunn	1906
Niagara Falls	A. Monro Grier, K.C.	H. R. Wood	1911
Orillia	John C. Miller	T. C. Doidge	1905
Oshawa	Rev. C. R. du Pencier	T. B. Mitchell	1911
Ottawa	Gerald H. Brown	H. I. Thomas	1903
Perth	J. A. Stewart	W. P. McEwan	1906
Peterborough	G. Stewart Cameron	W. R. Mofris	1907
Port Arthur	A. J. McComber	J. F. Hewitson	1907
Sarnia	F. F. Pardee, M.P.	W. A. Dent	1910
St. Catharines	Dr. J. M. Sheahan	E. G. Powell	1904
St. Mary's	L. A. Eddy, B.A.	W. M. Dickson, B.A.	1907
St. Thomas	E. A. Horton	C. B. Taylor	1907
Toronto	Kenneth J. Dunstan	C. L. Wilson	1897
Woodstock	Rev. S. C. Pedley	M. J. Brophy	1907

QUEBEC AND THE MARITIME PROVINCES

Montreal	George Lyman	Royal H. Ewing	1905
McGill University	Stuart LeMesurier	J. A. Mathewson	1911
Quebec	George A. Vandry	E. T. D. Chambers	
		T. Levasseur	1908
Amherst	Dr. F. G. McDougall	E. E. Hewson	
Halifax	Hon. G. E. Faulkner	D. MacGillivray	1907
Kentville	P. McInnis	F. C. Rand	1910
Parsboro'	Johnson Spicer	W. H. Belding	1910
Truro	Hugh McKenzie	C. S. McArthur	1908
Fredericton	G. Fred Chestnut	A. R. Slipp, M.L.A.	1909
Moncton	C. F. Burns	E. J. Payson	1907
St. John	G. A. Henderson	H. A. Porter	1907

WESTERN PROVINCES

Brandon	J. D. Kilgour	W. J. Green	1907
Portage la Prairie	H. J. Cowan	E. K. Marshall	1906
Winnipeg	Isaac Pitblado, K.C.	R. H. Smith	1904
Indian Head	Superintendent J. McKay	F. W. Chisholm	1911
Moose Jaw	J. W. Sifton	George E. Meldrum	1907
Regina	T. E. Perrett	J. E. Doerr	1908
Saskatoon	H. L. Jordon, B.A.	J. D. Gunn	1907
Weyburn	Frank Moffatt	S. D. Boylan	1910
Yorkton	Rev. F. C. Cornish	Dr. McDonald	1910
Camrose	J. K. Burgess	James Pike	1907

Place.	President.	Secretary.	Date of Organization.
Calgary	C. W. Rowley	John W. Hugill	1907
Daysland	E. W. Day	S. E. James	1910
Edmonton	W. A. Griesbach	John Blue	1906
Nelson	Dr. E. C. Arthur	G. H. Playle	——
Prince Rupert	Judge F. McB. Young	W. Barratt Clayton	1910
Vancouver	Ewing Buchan	D. VonCramer	1906
Victoria	Lindley Crease	Frank I. Clarke	1906

WOMEN'S CLUBS

Berlin and Waterloo	Mrs. R. Wood	Miss B. Mabel Dunham	1910
Calgary	Mrs. C. A. Stuart	Alberta M. Moore	1911
Edmonton	Mrs Arthur Murphy	Miss K. Hughes	1911
Fort William	Mrs. Peter McKellar	Mrs. A. F. Crown	——
London	Lady Gibbons	Mrs. C. W. Belton	1910
Montreal	Mrs. R. Wilson Reford	Mrs. Graham Drinkwater	1907
St. John	Mrs. E. A. Smith	Mrs. G. M. Campbell	1908
Toronto	Miss Constance R. Boulton	Mrs. J. B. Tyrrell	1908
Victoria	Mrs. F. B. Pemberton	Mrs. Douglas Hallam	1909
Winnipeg	Miss E. L. Jones	Mrs Francis Graham	1907
Ottawa	Mrs. Adam Shortt	Mrs. J. A. Wilson	——
North Bay	Miss Martin	Mrs. A. M. Fraser	1907
Ottawa	Mrs. Clifford Sifton	Mrs. P. D. Ross	——

As to Canadian Clubs in the United States there was a movement to organize all the Clubs there in a central body but it did not come to a head. The Pittsburg Canadian Club held its annual banquet on Feb. 13 with 100 members present and an address on Reciprocity by its President, E. Louis Hartwell; the Canadian Society of New York during a banquet on Feb. 14 received with great cheers the news of the Canadian Reciprocity Bill passing the House at Washington and Sharon Graham, President, at once dispatched telegrams of congratulation to the United States President and the Canadian Premier; the same Association held its annual Dinner on Nov. 13 with Andrew Carnegie as the chief American guest and Hon. G. E. Foster, M.P., W. F. Cockshutt, M.P., Principal Peterson of McGill and A. S. Goodeve, M.P., as the chief Canadian guests with, also, various representatives of Canadian Clubs in Canada. There do not seem to have been any important new organizations effected during the year.

Labour Interests, Organizations and Affairs in 1911

During 1911 the continued existence of prosperous conditions and the slow, steady increase in the cost of living produced a Labour situation which did not, on the whole, appear unsatisfactory to the workingmen—except in the Western Coal mining industry, where there was a cessation of operations for nearly eight months. Manufacturing establishments were very busy and there was a heavy demand for more female labour. Active railway construction, large building operations, successful Atlantic fishing operations, mining activity in Nova Scotia, all had their effect in Labour circles. The total number of strikes during the year was 104 with 28,918 employees involved, compared with 87 and 19,554, respectively, in 1910. Thirty of the 1911 disputes were in the building trades, 18 in ship-building, 11 in the clothing trade and 13 in transport; 42 were in Ontario, 19 in Quebec, 13 in

Alberta, 11 in British Columbia and the rest scattering; 42 were for increased wages with 5 others also demanding shorter hours, 7 were against reduction in wages, and 5 against non-union employees; of the total 42 were settled by negotiation, 33 were in favour of employers and 23 in favour of the men, 21 were settled by compromise. Since 1902 393 strikes had been settled in favour of the employers, 280 in favour of the employees and 244 by compromise.

During the fiscal year ending Mch. 31, 1911, the Dominion Department of Labour was more or less active. Under Mr. Mackenzie King's administration of the Industrial Disputes Act in this period it had 31 disputes, involving 25,630 employees, referred for settlement and of these 4 were concerned with Coal mining, 18 with Railways, 3 with Street Railways and the others scattering; 18 Boards of Conciliation were established, 6 cases were settled by agreement, and 7 were pending at the end of the period. In 4 cases strikes were not averted. As to this measure it may be added that in the autumn of 1911 the Montreal Street Railway had pending in the Quebec Courts a suit in which the claim was made that this popularly styled "Lemieux Act" was unconstitutional and contrary to the provisions of the British North America Act. The ground taken was that "all matters affecting the relation of masters and servants are by the B. N. A. Act directly placed under Provincial jurisdiction." It was understood that both Sir Allen Aylesworth, the late Minister of Justice, and Mr. Newcombe, Deputy Minister, believed the measure well within the legal power of the Dominion. The publication of the *Labour Gazette* (in French and English) with 50 correspondents, 10,000 subscribers and 5,000 of a free list was continued and an elaborate Report on "Wholesale Prices in Canada" from 1890 to 1909," edited by R. H. Coats, was issued. For the year 1910 the reports received by the Department had shown 171 new Labour organizations in Canada.

The chief labour trouble of 1911 was the Coal Miners strike in Alberta and British Columbia. On Mch. 31 the existing arrangement between the operators and the miners of Western Canada expired and various conferences were held in order to make a new agreement. The Western Coal Operator's Association was composed of 13 Companies operating at Lethbridge, Bankhead, Frank, Burmis, Diamond City, Hillcrest, Camrose, Coleman, Passburg, Bellevue, and Blairmore in Alberta and at Corbin, Fernie and Hosmer in the Crow's Nest Pass region of British Columbia. The Association had as President, Lewis Stockett of Bankhead, Vice-President, P. L. Naismith of Lethbridge, and Secretary-Treasurer, W. F. Little of Canmore. The Miners were organized into District 18 of the United Mine Workers of America with W. B. Powell as President and A. J. Carter Secretary-Treasurer. There were 25 local organizations

and the membership of the District on Jan. 1, 1910, was 4,976; one year later it was 5,827. At the first conference on Mch. 1 two representatives were present from the International body and the miners demanded an advance of 5·55 per cent. on all contract work, the same day wage scale as in Montana, a uniform price list for supplies, etc. All through March negotiations continued, the Operators declaring that conditions and hours in Montana were quite different, that they would accept the old arrangement as a basis and that the present price of coal would not admit of any general increase of wages. The chief differences of opinion, however, were in the closed shop matter (previously accepted by the Crow's Nest Operators but not by those of Alberta) and as to the check-off system—the deduction by the Company of dues, fines, fees, etc., from wages at request of employees—for the use of the United Mine Workers organization. The Miners wanted this latter condition made general instead of being applicable only to a few Companies.

A strike seemed certain and little attention was paid by the Miners to the Industrial Disputes Act. On Mch. 29th, therefore, the Minister of Labour (Mr. Mackenzie King) telegraphed Mr. Powell urging that no strike action be taken without reference to a Conciliation Board under the terms of the Act. No attention was paid the request and by decision of mass-meetings of the men the strike was declared on Apl. 1st with nearly 7,000 miners involved and a yearly production of several million tons of coal. Meantime the Minister of Labour had sent J. D. McNiven to Fernie to facilitate the establishment of a Board of Conciliation and Investigation and, on Apl. 13, the employees formally applied for one which was constituted with the Rev. Dr. C. W. Gordon of Winnipeg (Chairman), Colin Macleod of Maçleod, Alta., named by the Operators and A. J. Carter of Fernie named by the Miners. On July 11 the Minister received a Report signed by Messrs. Gordon and Macleod and a minority document from Mr. Carter. In the former close study was shown of the conditions of operation, management, wages, union influence, petty incidents of tyranny, Union management, the closed-shop policy, returns of the Companies and the Railways, the fact of an abnormally low day-wage scale and an abnormally high rate for men engaged in pillar coal, the fact that out of 18 Companies involved only 4 paid a dividend, and that in the past two years two-thirds of the mines had been operated at a loss. A rate of wages was suggested which was claimed to be fair. Mr. Carter met the statement as to the Mines not paying by declaring that a higher price should be charged for coal and by insisting on the closed-shop demand.

The struggle dragged on until the approach of winter made the fact of public inconvenience and injury turn into positive fear of future suffering and privation from shortage in the coal

supply. As the Regina *Standard* of July 20 put it: "A million people are faced with the possibility of a cold winter and an inadequate coal supply. Discomforts and suffering are staring farmers and others in the face. Nor are men alone thus confronted. Defenceless women and innocent babes must bear an equal share of the hardships with the men." The duty on American coal was temporarily removed by the Dominion Government and the Dominion and Provincial Legislatures discussed the situation with alarm. Business in the regions concerned was almost at a standstill with an invested capital of $40,000,000 and a monthly pay-roll of $1,000,000 involved. On July 24 a Conference of Western Associated Boards of Trade with the Operators and Miners was held at Macleod without result and on the 28th the Operators accepted the majority Report of the Board of Conciliation. A Miners' mass-meeting in Fernie on Aug. 1st, however, rejected the Report.

In October there were indications of settlement in the air; at the end of the month Mr. Rogers, Minister of the Interior, went to the scene of struggle and exercised his influence with success; an agreement was made on Oct. 26 and the Miners returned to work on Nov. 20. The new agreement was to continue in force until Mch. 31, 1915, and was based upon the Gordon Award with an increased and uniform day-wage scale, a re-arrangement of contract rates, an acceptance of the check-off system, and entire control of the mines to remain with the Companies. Mr. A. C. Flumerfelt, President of one of these concerns, estimated the cost of the strike at $10,000,000 and said that 40 per cent. of the miners had gone into the harvest fields, etc., while the others did nothing. The other proceedings or Labour troubles coming under operation of the Lemieux Act during 1911 were as follows:

	Location.	Number directly and indirectly involved.	Members of Board of Conciliation and Investigation.	Result.
Grand Trunk Pacific Railway and Maintenance of Way Men	Montreal	1,000	Judge D. McGibbon J. W. Dawsey W. T. J. Lee	Settlement by Unanimous Report.
Wettlaufer Silver Mining Co., Ltd., and Employees	South Lorraine.	65	George Ritchie R. F. Taylor C. H. Lowthian	Settlement by Unanimous Report.
Crow's Nest Pass Coal Co. and Employees	Fernie, B.C.		J. S. C. Van Wart W. S. Lane Clement Stubbs	Settlement by Unanimous Report.
North Atlantic Colleries Co. and Employees	Port Morien N.S.	260	Stewart McCawley A. McKinnon D. G. McDonald	Settlement by Unanimous Report.
Intercolonial and Prince Edward Island Railways and Order of Railway Telegraphers	Charlottetown and Ottawa	490	Judge J. A. Barron J. H. Gilmour J. G. O'Donoghue	Settlement by Unanimous Report.
Great North Western Telegraph Co. and Commercial Telegraphers	Montreal	1,200	Hon. J. V. Teetzel F. H. Markey D. Campbell	Settlement by Unanimous Report.

Parties Involved.	Location.	Number directly and indirectly involved.	Members of Board of Conciliation and Investigation.	Result.
C. P. R. and Maintenance of Way Employees	Montreal	4,000	Judge D. McGibbon F. H. McGuigan W. T. J. Lee	Settlement Effected.
Canadian Northern Railway and Maintenance of Way Employees	Toronto	1,800	Judge D. McGibbon F. H. McGuigan W. T. J. Lee	Settlement Effected.
Boot and Shoe Manufacturers and Employees	Quebec	943	Dr. G. W. Jolicœur Felix Marois J. A. Langlois	Settlement by Unanimous Report.
Western Coal Operators' Association and U.M.W.A.	Lethbridge, and Fernie	7,000	Dr. C. W. Gordon A. J. Carter C. Macleod	Disagreement and Strike.
Canadian Northern Coal and Ore Dock Co. and Employees	Port Arthur	850	G. F. Horrigan Arthur Boyd Judge J. McKay	Settlement by Unanimous Report.
Hudson Bay Mining Co. and Employees in Western Federation of Miners	Gowganda	80	D. J. McDonell G. Ritchie, K.C. Prof. J. Sharp	Majority and Minority Reports.
Cities of Fort William and Port Arthur and Electrical Workers of America	Fort William, Port Arthur	98	Rev. Dr. E. C. Murray J. D. Fraser C. W. Foster	Settlement by Unanimous Report.
City of Edmonton and Electrical Workers of America.	Edmonton	35	Hon. H. C. Taylor A. W. Ormsby W. Symonds	Settlement by Unanimous Report.
Montreal Street Railway and Association of Street and Electric Railway Employees of America	Montreal	1,970	J. L. Perron, K.C. C. Rodier Mr. Justice Fortin	Held in Court for Testing Constitutionality of Act.
G. T. R. System in Canada and Employees	Montreal	8,000	Dr. J. W. Sparling T. J. Murray Rev. J. L. Gordon	Settlement by Unanimous Report.
Grand Trunk Pacific Railway and Machinists (International)	Montreal	150	Dr. J. W. Sparling T. J. Murray Rev. J. L. Gordon	Settlement by Unanimous Report.
Grand Trunk Pacific Railway and Boilermakers (International)	Montreal	150	Dr. J. W. Sparling T. J. Murray Rev. J. L. Gordon	Settlement by Unanimous Report.
British Columbia Telephone Co. and Employees	Vancouver	220	J. H. Senkler C. Enright W. H. Barker	Majority and Minority Reports.
Alberta Coal Mining Co. and Employees	Cardiff		Norman Fraser J. O. Hannah C. Stubbs	Majority and Minority Reports.
Michigan Central Railway Employees—Order of Railway Telegraphers	St. Thomas	3,115	P. McDonald J. E. Duval J. G. O'Donoghue	Unsettled at End of Year.

The chief Canadian labour organization—the Trades and Labour Congress of Canada—held its annual meeting in Calgary on Sept. 11-16 with the largest attendance on record and William Glockling, President, in the chair. The Executive Report ten-

dered loyal greeting to H.M. the King and Queen Mary, with congratulations to the Labour party in Britain, the Labour Government in Australia, and the American Federation of Labour on winning its appeal in the Buck case. Canadian organized labour was urged to aid in defence of the McNamaras and the statement was made that a perfect understanding existed between the Canadian Congress and the American Federation as to the autonomy of each. The Canadian Premier (Sir W. Laurier) was congratulated upon defeating the Imperial Labour Exchange plan at the Imperial Conference. Various Provincial and other reports were submitted and the Fraternal Delegate from Indianapolis reviewed the McNamara case at length while the Moral, Social and Reform Committee urged greater protection for girls and women in factories, described the pittance paid for female labour as the chief cause of the social evil and urged social and economic equality of the sexes. A review of the Western coal strike was given and the Miners' action endorsed. J. C. Watters of Victoria was elected President, Fred Bancroft of Toronto Vice-President and P. M. Draper of Ottawa, Secretary-Treasurer. The Provincial Vice-Presidents were as follows: W. Symonds, of Lethbridge, for Alberta; James Somerville, Moose Jaw, for Saskatchewan; R. S. Ward, Winnipeg, for Manitoba; William Lodge, Ottawa, for Ontario; Fred Robert, Montreal, for Quebec; J. T. Joy, Halifax, for Nova Scotia. The chief Resolutions passed were as follows:

1. Approving the principle of conciliation and investigation and indicating some of the benefits of the Lemieux Act but denouncing alleged decisions, rulings and delays of the Department of Labour and asking for the repeal of the Act.

2. Declaring the Workmen's Compensation Act of Alberta inadequate and contributing to the expense of carrying a similar British Columbia Act to the Imperial Privy Council because of its non-application to plaintiffs not residing in the Province at the time of an accident.

3. Asking for adoption of better sanitary arrangements in Foundries and the Provincial appointment of additional Factory inspectors.

4. Asking the Dominion and Provincial Governments to legislate for the absolute exclusion of Orientals from any employment on licensed premises and making it a criminal offence for Orientals to employ white girls in any capacity.

5. Endorsing the principle of industrial as against craft unionism and approving "the idea of a general strike of workers in countries considering war, so that workers may see the pitiful exhibition of fighting by those capitalists who seem so fond of it."

6. Referring to the yearly death of 2,000 workers in Canada from accident and the maiming, or destruction, of industrial efficiency in 10,000 others, and asking for a Royal Commission of Inquiry.

7. Endorsing Technical Education and Industrial Training and a course of study in the economics of the Labour problem.

8. Protesting against a renewal of Iron and Steel bounties and asking for Government investigation of the Industry by a special Commission.

9. Opposing any agreement with Employers which should include a non-sympathetic strike clause and denouncing any relaxation in the Immigration laws, or the promotion of immigration of pauper children.

10. Asking legislation to permit Musicians to take part in Sunday church parades, etc.; for betterment in the conditions of letter carriers' employment; granting an 8-hour day and enforcing the payment of a "reasonable living wage."

11. Requesting the Minister of Customs to exempt International local Unions in Canada from payment of duties on supplies shipped from United States headquarters; the Alberta Legislature to give Civic autonomy to the Provincial municipalities; international unions in Canada to rescind all regulations against the free discussion of political issues.

12. Endorsing the establishment of free Municipal or Provincial employment agencies; the making of payment for wages by cheque illegal; the fortnightly payments of wages on the Railways of Canada.

13. Requesting legislation to prohibit the employment of Telegraph or Telephone operators or employees under 21 years of age in the control of moving trains, etc.; to establish uniformity in the text-books of Quebec municipalities; to add a penalty clause to the Lord's Day Act fining both employer and employee for breaking the law in this respect.

14. Demanding the abolition of the Senate and the repeal of the Alien Labour Act and the passage of a new and more easily worked Act.

15. Protesting against the so-called scientific shop management or "Taylor system" in Canadian manufacturing establishments; against the piece-work system of many Eastern manufacturers; against the imprisonment of foreign labourers under contract who quit work; against alleged coercion employed by Coal companies with local magistrates; against the sub-letting of building contracts.

16. Asking for the appointment of Labour Union representatives as Justices of the Peace; for uniform Provincial Legislation in regard to plumbing; for legislation to abolish Barbers' colleges.

17. Opposing the infusion of the military spirit into the Boy Scout movement and the exercise of Court powers of injunction during Labour disputes.

18. Approving the exchange of Fraternal Delegates with the British Trade Congress; the establishment of classes of First Aid to the injured in all cities and towns; the co-operative system of Technical education whereby apprentices "may attend technical schools in the day-time the employer to pay wages for the time spent in such training."

19. Asking for better protection of Railway carmen, for stricter measures to protect the health of miners and lumbermen, for more careful examination of hoisting ropes, cages, etc., in mining shafts, for non-enforcement of Provincial eviction laws during strikes, for the appointment of qualified scaffold inspectors, for compelling the temporary stoppage of work when an industrial accident occurs.

20. Favouring amendment of Railway Act to make black-listing a criminal offence; a law to make compulsory the use of up-to-date safety appliances for Electric Power line workmen and the insurance of greater safety to workers on heated or refrigerator cars; an amendment to the Ontario Assessment Act for a lower tax-rate on improvements than on land values, business assessments, incomes or salaries.

21. Urging Provincial legislation to return to workmen moneys paid into a Benefit scheme upon leaving the employment of the Company concerned—with 5 per cent. interest; the making of discrimination by employers or agents against members of Labour Unions a criminal offence; the appointment of permanent auditors for all municipalities by Provincial Governments; an active campaign in Nova Scotia to organize the wage-earners into international unions.

The 3rd annual Convention of the Canadian Federation of Labour—national in idea and anti-international in policy—was held at Quebec on Nov. 7-10 with Delegates present from Toronto, Ottawa, Montreal, Quebec and Nova Scotia. The affiliated Pro-

vincial Workmen's Association of Nova Scotia was reported to have 5,000 members, progress was announced in various directions and the following officers were elected: President, John Moffatt, Sydney, N.S.; 1st Vice-President, L. C. La Roche, Quebec; Secretary-Treasurer, George G. Mercure, Ottawa; Vice-President for Nova Scotia, S. B. McNeil and for Ontario J. C. Wigglesworth; Members of Executive, C. G. Pepper, Ottawa, and Omer Brunet, Quebec. Resolutions were passed as follows:

1. Re-affirming belief in Canadian trades-unionism as against internationalism and the necessity for placing its principles, by good Provincial organizers, before the workmen of all Canada.
2. Requesting the employment of none but duly qualified captains on Canadian steamships under penalty of prosecution and punishment.
3. Asking the Quebec Government to appoint an Inspector of Boilers with power to issue stationary engineer certificates.
4. Protesting against United States trades unions being allowed to offer sick or death benefits in Canada without license or Government guarantees.
5. Asking the Federal prohibition of open cars with foot-boards and the Quebec Government to include Bakers amongst those exempt from work on Sunday.
6. Urging the Quebec appointment of a Union man on the Technical School Board and to include in its courses the prevention of accidents in industrial institutions; to make appointment of scaffold inspectors mandatory in all cities.
7. Asking the Provincial Governments to enact legislation making the certificates of workingmen, such as stationary engineers, miners and others, valid and interchangeable in all the Provinces of Canada.

As to legislation affecting Labour interests during 1911 new amendments to the Federal Fisheries Act required licenses from all persons engaged in manufactures from certain kinds of fish, fixed the Salmon cannery license in British Columbia at $50, and regulated that in Lobster canneries from $5.00 upwards; the Railway Act was modified to require full and complete returns as to accidents of all kinds; under new Post Office legislation salaries of mail clerks were fixed at $500 increasing to a maximum of $1,400. Proposed Acts respecting an 8-hour day in public works, and the fortnightly payment of wages, and respecting Co-operative Societies did not become law. In Nova Scotia improved regulations were made as to the use of lamps in coal mines; Companies incorporated in order to mine or drill for gas or oil were given the same powers and rights in acquiring lands, etc., as mining companies under the Mines Act; the Dominion Coal Company's Employees Benefit Society was incorporated to protect the interests and guard the welfare of its members; the Co-operative Association, Ltd., of Sydney was also incorporated for the carrying on of a retail business on co-operative lines; an Act was passed creating the office of Provincial Superintendent of Neglected and Dependent Children.

In New Brunswick the Workmen's Compensation Act was amended to enable an injured workman to accept a lump sum

from his employer when weekly payments had been judicially awarded him; legal improvements were effected in Boiler inspection and in the employment, certificates, and conditions, of stationary engineers; city or town councils were authorized to pass By-laws closing shops between 6 o'clock in the afternoon and 5 o'clock in the following morning; the Compulsory regulations for school attendance were modified so as to exempt children between 14 and 16 years under certain conditions. In Quebec an Order-in-Council provided regulations for governing sanitary conditions in foundries; the Mining laws were amended by legislation so as to require exact official reports as to accidents and Bakeries were required to make bread of good flour and attach labels specifying weight and name. In Ontario the Building Trades Act provided for " reasonable safety " to all persons employed during building operations, in respect to scaffolding, hoists, etc., with the appointment of Inspectors in all cities, towns, villages, and townships, to see to its enforcement; an elaborate measure was passed providing additional facilities for industrial training under the supervision of the Department of Education; the Mining Act was amended to control and safeguard the use of Electricity in mines; provision was made for municipal councils to pass By-laws regarding the production, care, transport, etc., of milk; and the Factories Act was amended to bring public laundries within its sphere of inspection and regulation.

Manitoba, in 1911, provided for the greater protection of working children and forbade the regular employment of any child under 12 years between the hours of 9 p.m. and 6 a.m. or the employment of anyone under 16 years in any occupation likely to be injurious to life, limb, health, education or morals; an Act was passed enforcing new provisions for the licensing of chauffeurs—no one under 18 years being allowed to operate a motor vehicle; provision was made for enforcing payment of hospital fees by any employer whose practice was to charge or deduct medical attendance fees from his employees' wages; enactments were made providing for municipal plumbing inspectors to look after sanitary provisions. In Saskatchewan, where a Bureau of Labour was established during the year, special legislation provided compensation for injuries received by workmen in or about railways, factories, mines, quarries and engineering work, and in or about any building which was either being constructed, repaired, or demolished. Under the Act a workman included every person engaged in any employment to which the Act applied, whether it were of manual labour or otherwise, but did not include any person employed otherwise than in manual labour and whose remuneration exceeded $1,200 a year. An employer was liable for the payment of compensation, in any employment to which the Act applied, for personal injury by accident to a workman arising out of or in the course of employment, except when a workman was

disabled for a period of at least one week from earning wages at his work. The Act was to apply even when the workman was the sole cause, through negligence or misconduct, of his own death.

In British Columbia there was, during 1911, legislation providing health regulations for lumber, railway construction, mining and other camps or places of labour; a measure regulating the use and operation of motor vehicles and the functions of chauffeurs, etc.; provision for incorporation of and Provincial aid to agricultural societies; with amendments made in the Coal Mines Regulation and Shops Regulation Acts. The British Columbia Federation of Labour met at Victoria on Mch. 13, 1911, in its first annual Convention and received various reports and discussed many questions. Resolutions were passed (1) in favour of the establishment of an educational institution, supported and controlled by organized Labour, for the instruction of its members in the fundamental principles of our modern industrial system; (2) requesting the Provincial Government to insert in all contracts for erection of the new Provincial University a clause providing that wages shall not be less than the minimum union rate of wages in Vancouver for the respective crafts; (3) endorsing a machinist strike for an 8-hour day and the demand for a Commission to investigate Provincial prices of coal; (4) protesting against assisted Immigration and criticizing Salvation Army methods; (5) favouring a general work-day of not more than 8 hours and the support in British Columbia of those political candidates pledged to support working class interests; (6) demanding better sanitary conditions in bake-shops and advocating the entire exclusion of Chinese or, failing that, the raising of the head-tax from $500 to $1,000; (7) protesting against the marching of prisoners through the streets or allowing prison labour to compete with free labour, favouring the Co-operative principle and an 8-hour day for all female employees, condemning laundry abuses under the Factory Act; (8) supporting the proposal for the initiative, referendum and recall in popular government. Fraternal delegates were present from the Washington State Federation of Labour and the Western Federation of Miners. J. C. Watters of Victoria was re-elected President and R. P. Pettypiece of Vancouver General Secretary. The Vice-Presidents chosen were J. W. Wilkinson, Vancouver; R. A. Stepney, New Westminster; C. Sivertz, Victoria, and J. H. McVety, Vancouver. R. Midgley of Ladners was elected Secretary-Treasurer.

Labour incidents of the year included an investigation during February by representatives of the Winnipeg Development Bureau and Winnipeg Ministerial Association into employment conditions in that City and Province and a Report recommending operation by the Federal Government of Employment Bureaus throughout Canada and, by the Provincial Government, of Labour

Bureaus at Winnipeg and Brandon; a lockout on Mar. 26 by the Toronto Carpet Company of 114 weavers who had, against rules signed and accepted by them, joined a Union and who remained out until Sept. 5th when they returned with acceptance of the non-union rule; an agreement between the Dominion Coal Company and the Provincial Workmen's Association of Nova Scotia continuing in force for 2 years more—to Dec. 13, 1913—the existing agreement as to wages, etc.; a strike of 2,000 Longshoremen at Montreal on Nov. 17th which threatened grave consequences but was settled almost immediately by the prompt conferences and efforts of the new Minister of Labour—Hon. T. W. Crothers—with the Shipping Companies and Syndicated longshoremen of the Port; the statement by the Department of Labour in December, 1911, that the level of prices for agricultural products was 45 per cent. over that of 1896 while fish, tea, coffee, sugar, fresh fruits, and vegetables, and canned goods, ranged higher than in 1910 and coal lower.

Other events were the statement of a Committee of the Local Council of Women (Jan. 31, 1911) that in Montreal 33 per cent. of its women, between 15 and 24 years, were in gainful occupations, with wages ranging from $4 to $8 a week in Departmental stores, from $2 to $15 a week at piece-work in factories, from $20 to $80 a month in Telephone offices, and from $25 a month up as stenographers; the termination on May 28 of the United Mine Workers of America strike at Springhill, N.S.—after 1,200 men had been idle for 22 months with an estimated loss of $500,000 —and without any removal of alleged grievances or recognition of the U.M.W.A.; the appointment of Chief Justice Sir W. R. Meredith by the Ontario Government at the close of the year to go into the question of a Workmen's Compensation Act for that Province; a definite position taken by the Ministerial Association of Winnipeg on Nov. 8th in favour of reasonable Labour organization.

Of matters indirectly connected with Labour interests the most important was the continued work of the Royal Commission to inquire into Industrial Training and Technical Education. During May and into September its members visited the centres of the United Kingdom, Germany, Switzerland, France, Belgium, Denmark, etc., studying the methods and application of Educational systems in respect to the Inquiry. No Report had been issued at the close of the year although in March an interim statement as to Canada itself from Dr. J. W. Robertson, Chairman, had been presented to Parliament in which the assertion was made that the necessary technical training existed in very few places; that representative Canadians had everywhere urged the need of night classes for boys who had left the day schools; that Canadian workmen were practically unanimous in desiring an adequate

system of technical instruction; that manufacturers were earnestly willing to co-operate. The 1st Congress of the Co-Operative Union of Canada was held at Ottawa on Sept. 4th with President Samuel Carter of Guelph in the chair. It was decided to obtain incorporation and to appoint an experienced organizer; 9 Canadian Societies were reported with net profits for the year of $36,594; an address was given by A. C. Wieland of the British Co-Operative Wholesale Co. Mr. Carter was re-elected President and G. Keene, Hon. Secretary and Editor of the *Canadian Co-Operator*. Before a meeting of the Industrial Peace Association, Vancouver, in October Mr. F. C. Wade, K.C., gave a number of important figures as to strikes in various countries. According to his quotation of the United States Bureau of Labour the total loss to employees and workmen from this cause in 1881-1900 was $468,968,000 and the average individual wage loss was $2,194.

International Labour relations were of the usual public interest during the year—a Special Committee of the American Federation of Labour, at its St. Louis meeting, reporting that the Trades and Labour Congress of Canada would "have the sole right to speak and act for organized labour, in all political and legislative matters in the Dominion and all of its Provinces"; that autonomy in trade matters would be preserved and the Canadian organization issue its own charters to subordinate bodies. The arrest at Indianapolis of the McNamaras on Apl. 22 charged with killing 112 people and blowing up 69 buildings, their trial, the collection of funds for defence in Canada as well as the United States, the support of many Canadian Labour unions and the confession of Dec. 1st, all created great interest in Canada. It may be added that on Mch. 31, 1910, there were 1,752 trades unions or local Labour organizations in Canada of which 1,520 were affiliated with international bodies and 232 were of national character.

Militia Affairs during the Year; The Military Conference

The Canadian Militia experienced some important developments during 1911 of which not the least was a change of Ministers for the first time in 15 years. Whatever the criticisms of Sir Frederick Borden from a political standpoint may have been the Militia had grown during his term of office from 1,346 officers and 16,547 non-commissioned officers and men in training, with 1,125 horses, in 1896 to 3,360 officers, 38,015 non-commissioned officers and men, with 7,997 horses, in 1910. In the Minister's Report for Mar. 31, 1911, it was announced that a re-organization of the Militia would take place in accordance with General Sir John French's recommendation and along the following lines: "The units hitherto included in ten of the Military Districts comprised within the four higher Commands in

THE HON. THOMAS SIMPSON SPROULE, M.P.
Speaker of the House of Commons of Canada.

THE HON. JOHN DOWSLEY REID, M.D., M.P.
Minister of Customs.
In the new Borden Government, 1911.

Eastern Canada will be grouped into six Divisions and four Cavalry Brigades; a Commander, with a Divisional Staff, will be appointed to each of the six divisions and will also command any other troops serving within the limits of the Divisional Areas which will be prescribed; a certain number of administrative officers will also be attached to each Divisional Staff to administer the Services and Departments; each Divisional Commander will be directly under Militia Headquarters thereby eliminating the delays necessarily occurring under the old system of correspondence through the Command offices with the various Military Districts; the three Military Districts in the West will remain, at present, unchanged."

In this Report Sir F. Borden stated the total strength of the Permanent Corps on Mch. 31 at 3,079 officers and men of whom 1,275 were stationed at Halifax, 402 at Quebec, 333 at Kingston, 318 at Toronto, 150 at Esquimalt, 123 at Ottawa, 115 at London, 113 at St. Jean, P.Q., and 110 at Winnipeg. At this date, also, there were 263 Cadet Units in the Dominion with 442 Cadet Companies—of the latter 129 were in Ontario, 170 in Quebec, 50 in Nova Scotia, 41 in Alberta, 18 in Manitoba and the rest scattering. The numbers inspected in 1911 were 14,523 of whom Winnipeg was headquarters for 2,136, Montreal for 5,754, Toronto for 1,913, Kingston for 1,408, Halifax for 1,326 and Calgary for 928. The Province of Quebec came first with 6,154 in number as compared with 2,293 in Ontario. The Militia expenditure of the fiscal year was $7,049,711 (as compared with $5,921,313 in 1909-10) and the chief items were $1,089,693 on annual drill, $373,960 on clothing and necessaries, $280,033 on the Dominion arsenal, $353,965 on Engineer services, $1,512,905 for Ordnance, Arms, Lands, etc., $1,845,386 for pay of Permanent Force and supplies, $334,548 on stores. The chief increases over 1909-10 were in the cost of the annual drill, $293,085; $143,883 paid for Customs dues as against $36,695 in the previous year; $65,000 in grants to Regimental armouries—a new item; $212,934 additional for Ordnance, etc.; a doubling of the cost of salaries and wages by $73,196. The appointments as finally completed in the Divisional areas and the command of Brigades for the year 1911 were as follows:

I. Divisional Area and Headquarters.	Officer Commanding.
1st: London	Colonel W. E. Hodgins.
2nd: Toronto	Brig.-General W. H. Cotton.
3rd: Kingston	Colonel Thomas Benson.
4th: Montreal	Colonel A. Roy, M.V.O., A.D.C.
5th: Quebec	Colonel O. C. C. Pelletier.
6th: Halifax	Colonel C. W. Drury, C.B., A.D.C.

II. Military District and Headquarters.	District Officer Commanding.
No. 10: Winnipeg, Man.	Colonel S. B. Steele, C.B., M.V.O.
No. 11: Victoria, B.C.	Colonel R. L. Wadmore.
No. 12: Calgary, Alta.	Lieut.-Col. E. A. Cruikshank.

III. Brigade and Headquarters.		Commanders.
1st Infantry	London	Lieut.-Col. R. McEwen.
2nd Infantry	Guelph	Lieut.-Col. A. Weir.
3rd Infantry	London	Lieut.-Col. N. A. Bartlett.
4th Infantry	Hamilton	Colonel W. A. Logie.
5th Infantry	Niagara Falls	Lieut.-Col. A. T. Thompson.
6th Infantry	Toronto	Colonel W. C. Macdonald.
7th Infantry	Kingston	Lieut.-Col. R. E. Kent.
8th Infantry	Ottawa	Lieut.-Col. S. M. Rogers.
9th Infantry	Clarke, Ont.	Lieut.-Col. John Hughes.
10th Infantry	Toronto	Lieut.-Col A. G. Henderson.
11th Infantry	Montreal	Colonel J. P. Landry.
12th Infantry	Montreal	Lieut.-Col. E. W. Wilson.
13th Infantry	Quebec	Lieut.-Col. O. E. Talbot.
14th Infantry	Quebec	Lieut.-Col. L. N. Laurin.
15th Infantry	Quebec	Lieut.-Col. E. F. Wurtele.
16th Infantry	St. John	Lieut.-Col. M. B. Edwards.
17th Infantry	Woodstock	Lieut.-Col. J. D. B. F. Mackenzie.
18th Infantry	Halifax	Lieut.-Col. W. Letcher.
19th Infantry	Toronto	Lieut.-Col. W. Wallace.
20th Infantry	Halifax	Lieut.-Col. A. F. McRae.
1st Cavalry	Toronto	Lieut.-Col. W. H. Merritt.
2nd Cavalry	Kingston	Lieut.-Col. R. Brown.
3rd Cavalry	Quebec	Lieut.-Col. R. E. W. Turner, v.c., D.S.O.
4th Cavalry	Montreal	Lieut. Col. Charles A. Smart.
6th Cavalry	Winnipeg	Lieut.-Col. E. A. C. Hosmer.
7th Cavalry	——	Lieut.-Col. John Gwynne.
1st Artillery	Guelph	Lieut.-Col. A. B. Petrie.
2nd Artillery	Toronto	Lieut.-Col. J. H. Mitchell.
3rd Artillery	Sydney	Lieut.-Col. B. A. Ingraham.
4th Artillery	Woodstock	Lieut.-Col. W. C. Good.
6th Artillery	Montreal	Lieut.-Col. W. A. Grant.
7th Artillery	Sherbrooke	Lieut.-Col. J. J. Penhale.
8th Artillery	Ottawa	Lieut.-Col. E. W. B. Morrison, D.S.O.
9th Artillery	Deseronto	Lieut.-Col. J. B. Robinson.
10th Artillery	Cobourg	Lieut.-Col. N. F. MacNachtan.

The various Camps called for annual drill and instructions during the summer of 1911 were held and commanded as follows: Goderich, Colonel W. E. Hodgins; Niagara, General W. H. Cotton; Kingston, Colonel T. Benson; Petawawa, Lieut.-Col. H. E. Burstall; Farnham, Lieut.-Col. R. E. W. Turner, v.c.; Lévis, Colonel O. C. C. Pelletier; Sussex, Colonel W. H. Humphrey; Aldershot (Artillery), Lieut.-Col. J. A. Mowbray; Aldershot, Brig.-General C. W. Drury; Sewell, Colonel S. B. Steele; Kamloops, Colonel R. L. Wadmore; Calgary, Lieut.-Col. E. A. Cruikshank. Camps were also arranged for Charlottetown and Three Rivers. The authorized establishment at this time was 60,181 officers, non-commissioned officers and men as compared with 57,684 in 1910; the number trained was 3,505 officers and 41,205 non-commissioned officers and men as compared with 3,360 and 38,015, respectively, in 1910. A large percentage of the rank and file were first-year men owing to the increased difficulty of getting men to carry out their three-year obligation.

At many of the Camps there was a distinct shortage in the attendance of the rural corps. The Toronto *Globe* put the situation in Ontario as follows on June 15: "The failure of the officers of the rural corps to secure recruits enough in their own districts to complete the regimental strength means that the young men of Ontario are either too busy to attend camp in the summer or are entirely indifferent to their country's claim upon them." This paper favoured as an alternative the scattering of several hundred

rifle ranges throughout the Province with an expert in charge of each. "In its organization and equipment and its supply of the material of war the Militia under Sir Frederick Borden has been very greatly improved. But the Niagara revelations indicate that there is need for drastic changes—in Ontario at any rate—in recruiting and maintaining the rural corps." The same complaint as to recruiting came from Farnham, Quebec, as to City men. The hostility of certain newspapers throughout Canada to what they termed "militarism" had, no doubt, something to do with the situation as well as the distractions of business and prosperity—an illustration being given in the *Weekly Sun,* a farmer's journal of Toronto, which on Nov. 1st pointed with alarm to the fact that Canada's expenditure for the current year on Militia, the Royal N. W. Mounted Police and the Naval Service totalled $10,000,000 or nearly $6.00 per family.

To meet such objections and to promote the popularity of Militia ideals the new Minister of Militia—Colonel Sam. Hughes—shortly after taking office assumed an aggressive attitude which was also constructive in form. He was personally strongly in favour of the training of youth along preliminary military lines and the population, generally, in the art of shooting. Speaking in Winnipeg on Nov. 10 Colonel Hughes referred as follows to the School Cadets: "There, gentlemen, is the foundation of the volunteer force, and the foundation of the defence of the Empire. With them well trained we need never fear invasion. Canada can turn out a million and a half men. Let these men be trained to shoot well and no enemy will ever dare cross our frontier." The Minister at this time had already underway the calling of a Conference of military men, educational authorities, and Cadet officials, to discuss questions of general or specific interest. It met at Ottawa on Nov. 16-18 and considered an elaborate agenda which included the following subjects:

Plans for stimulating proper interest in the recruiting of the Militia; Systems of keeping accounts and records in companies and in regiments; Regulations for military bands; How best to encourage the system of physical and military training in schools proposed by the Strathcona Trust; A system of training for boys in brigade or divisional camps; the formation and training of regiments in Canadian Universities; A system of training not only for University corps, but for every unit of the Militia whereby at the termination of the drill period for the year each soldier shall be privileged to try for a certificate as a non-commissioned officer or officer according to his knowledge and experience; The Cadet corps and how to make them efficient; The preparation of drill and other necessary books on military instruction; Miniature rifle work and ranges or target accommodation for military rifles; Arms for Cadet corps and boys generally, with plans for the use thereof; The use of intoxicating liquor in camps, quarters or messes; Railway and other transport for troops; Transport for one qualified man from each Corps or unit to the Dominion of Canada Rifle Association matches at Ottawa annually; Qualification of officers in rifle shooting and gun-drill for all officers; How best to obtain the co-operation of Municipal and Provincial organizations in the

establishment and maintenance of drill-halls, armouries, rifle ranges and military training in schools; Armouries for companies, regiments and Brigades; Reward badges and prizes for rifle shooting; A System of military training; Officers' uniforms and Military Associations.

Amongst those present were the Minister of Militia and Sir F. Borden, Generals Mackenzie, Cotton and Otter, Colonel J. M. Gibson, K.C., Colonels Sir H. M. Pellatt, W. C. Macdonald, James Mason, J. H. V. Crowe, A. Roy, M.V.O., Hon. P. Landry, S. J. A. Denison, C.M.G., T. Benson, Alex. Bertram, S. B. Steele, C.B., Lieut.-Colonels A. E. Gooderham, J. Lyons Biggar, J. S. Campbell, F. M. Cole, J. H. Burland, J. Hughes, H. E. Burstall, E. A. Cruikshank, N. F. MacNachtan, W. N. Ponton, R. J. Gwynne, J. B. B. Baxter, E. W. B. Morrison, Hon. J. S. Hendrie, C.V.O., S. B. Rogers, W. A. Logie, R. E. W. Turner, J. E. Bergeron; Hon. R. A. Pyne of Toronto, Major R. W. Leonard, Rev. Canon Dauth, Rev. J. W. MacMillan, Sir Mackenzie Bowell, Dr. J. T. Fotheringham, James L. Hughes, Dr. G. S. Ryerson, Hon. P. Boucher de la Bruére, Superintendent of Public Instruction, Quebec; and many others from Halifax to Vancouver. The Minister in his opening address explained that the aim of the Conference was to consult the officers as representing the people of the country. "They were the men in close touch with the business of the country, and knew what was necessary to bring about a proper understanding between the people on the one hand and the military authorities on the other."

The gathering was divided into Sections—Infantry with General Cotton as Convenor; Artillery, Colonel the Hon. J. S. Hendrie; Medical Corps, Colonel D. W. Cameron; Military Training in Universities, Lieut.-Colonel J. T. Fotheringham, M.D.; Education, Hon. P. Boucher de la Bruére, etc. In these Sections all kinds of opinions were expressed. Major-Gen. C. McKenzie, Chief of Staff, stated that there was a healthy growth in the Militia although there was room for much more so long as less than one per cent. of the population was drilled annually, while another speaker advocated conscription; one thought popular indifference to the Militia was due to the special spirit of the people, others considered the pay insufficient and Colonel Ponton wanted manhood suffrage made dependent upon military service; Colonel Logie and Dr. Fotheringham proposed universal military service as the remedy for present evils; Colonel Bertram protested against employers of labour who put obstacles in the way of their men attending instructional camps; Colonel Gwynne stated that Canadian military tailors were supplying officers with swords of German make which were cheaper than the British; Colonel Steele thought the Boy Scout movement somewhat inimical to the Cadet Corps; Dr. Ryerson and others advocated the sale of beer in the Camp canteens and there was keen discussion but no accepted Resolution on the point; Colonel Morrison stated that

the Dominion Government would not give its Civil Servants time to attend Militia Camps. The Minister of Militia said that Militia bandsmen should be allowed to parade in uniform on holidays, etc., if the British flag was carried; he considered the existing system of training officers extravagant and wanted the co-operation of municipalities in the further establishment of armouries.

The Sections met separately and reported various suggestions. As to pay the Cavalry Section recommended 75 cents a day for the first year, 95 cents for the second and $1.00 for the third with 25 cents a day for musketry efficiency and for pay of horses $1.50 a day; the Artillery Section recommended that the rate of efficiency pay should be increased and the pay of horses be $1.50 per day; the Infantry Section recommended a minimum of $1.00 a day plus an allowance for good conduct and efficiency in shooting. This Section also recommended an increase in armouries, lengthening of period of annual drill, a more frequent issue of clothing, and the enlistment of public sympathy by the co-operation of national and patriotic societies. The Cavalry Section proposed that Military service and attendance at instructional schools should count in the West for homestead duties; that each regiment should have two Maxim guns and an extra waggon; that the sale of malt liquors in camp be authorized. The Artillery Section suggested that each battery should be provided with a paid quartermaster-sergeant for book-keeping, etc., and expressed sympathy with the Cadet movement; declared that legal authority be secured for one or more canteens in Camp to sell nothing stronger than light beer, and that the usual custom in Officers' Messes be not interfered with. The present training period of 16 days was thought all that industrial conditions would warrant but that there might be six days of additional instruction at local headquarters —with the alternative of Government consideration of some universal training plan. The Medical Section endorsed the sale of beer in camp canteens and urged the enlargement of grants to Military Associations and the appointment of a Commission to deal with the matter of winter clothing.

The question of universal training was much discussed with the one-time example of Nova Scotia and the present example of Australia to the fore but only the Artillery Section actually put an opinion on record. Yet it was admitted that the plan would save the country a large sum yearly, would save two-thirds of the officers' time now spent in hunting recruits, and would train men at a period (up to 21) when their health would benefit the most and their economic value be the least. The Conference supported a Resolution favouring the use of miniature rifles by the Cadet corps and it was decided to meet yearly at Ottawa during February. A Committee was appointed to prepare a letter for the public explaining the ethical value of physical drill and military

training. The feature of the gathering and of the speeches was moderation. There was little talk of war except, perhaps, in Rev. Dr. MacMillan's statement that it was nowadays caused by newspaper editors and men interested in stocks more than by any other influence. The Permanent Corps and Staff Officers left the discussion largely to the active Militiamen and the result was a free and valuable expression of opinion. There was evident a general desire to strengthen the Cadet Corps, to establish University battalions, to increase the pay of the Militia, to authorize the sale of beer and soft drinks in canteens, to establish small and inexpensive armouries for Company use instead of large central armouries. General appreciation was expressed of the Strathcona Trust policy and arrangements and, it may be stated here, by the end of 1911 all the Provinces of Canada had accepted the following arrangement in this connection:

1. The Provinces agreed: As far as possible, to make compulsory the practice of physical culture in all schools; to have teachers qualify to teach this subject before receiving a license; to adopt the Syllabus of Physical Exercises for Schools as approved by the Executive Council, Strathcona Trust; to encourage in connection with public schools the formation of Cadet Corps among the boys of suitable age, so that they may be instructed in advanced military drill and rifle shooting.

2. The Militia Department agreed: To assist the educational authorities in training their teachers as physical training instructors by providing suitable instructors; to provide courses of instructions during the Summer school vacation at the military schools for all male teachers who may desire to take a military course as Cadet Corps instructors; to provide certain arms, ammunition and equipment for use of Cadets.

The Cadet Corps made marked progress during the year. While the number in training camp was only 14,000 and the official list 20,000 the un-official total was put at 29,067 at the close of the year—including 6,128 Scout cadets organized along lines similar to the Boy Scouts. To James L. Hughes, Chief Inspector of Toronto Schools, the movement in Canada had owed its origin and much of its progress—latterly he was aided financially by Lord Strathcona and influentially by Earl Grey. At the close of 1911 his brother, the new Minister of Militia, was able to announce at Ottawa that 40,000 Canadian school-boys would go into training camps in the following July for military instruction. In April, 1911, the Militia Department sent 12 Cadets to represent Canada at the Boys' Bisley meet in England on Empire Day. There were also Contingents from Montreal, Alberta and Saskatchewan.

Meanwhile, the Canadian Baden-Powell Boy Scouts had also been gaining as well as in Britain, Australia, New Zealand, South Africa and India. There were about 5,000 members in Ontario, at the close of the year, with organized effort along the lines of training the boys in woodcraft, scouting and adaptability, and inculcating ideals or habits of loyalty, morality, obedience, disci-

pline, manliness, self-reliance and courage. Of the Ontario Council W. K. George was President and of the Toronto Council John G. Kent was President. There was a notable gathering from the various Ontario points at the Canadian National Exhibition and a review of the Scouts by H.E., Earl Grey on Aug. 29. The Alberta Scouts included about 600 members at the close of the year.

Another organization of collateral importance in Militia matters was the Canadian Branch of the St. John Ambulance Association—a Department of the Grand Priory of the Order of the Hospital of St. John of Jerusalem in England. Its objects were defined by Captain R. J. Birdwhistle, Dominion Secretary, in a series of addresses during the year as (1) the instruction of persons in rendering first aid in cases of accident or sudden illness and the transport of the sick and injured; (2) instruction in the elementary principles and practice of home nursing; (3) instruction in the principles of domestic hygiene and sanitation; (4) the carrying out of work in relief of suffering amongst sick or injured, in time of peace or war; (5) the organization of auxiliary voluntary aid centres to be utilized in time of war. A Manitoba Council was organized at Winnipeg on Jan. 5th with Mayor Sanford Evans as President, Hon. G. R. Coldwell, William Whyte, Arthur Meighen and Colonel S. B. Steele as Vice-Presidents, Major F. L. Vaux as Hon. Secretary and A. M. Nanton, Hon. Treasurer. On Jan. 10th another Provincial Council was formed at Edmonton with Dr. H. M. Tory of Alberta University as President, A. B. Cushing of Calgary as Vice-President, W. Ward as Secretary and an influential Executive. British Columbia organized on Jan. 19th. By the close of 1911 all the Provinces had been organized, 1,500 certificates for first aid, home nursing, etc., had been issued, T.R.H., the Duke and Duchess of Connaught had succeeded Their Excellencies the Earl and Countess Grey as Patron and Patroness respectively. The Hon. President in 1911 of the Canadian Branch was Sir Thomas Shaughnessy, K.C.V.O., and the President Dr. F. Montizambert, I.S.O.; the Hon. Special Commissioner for Canada was Harold Boulton, M.V.O.; the Hon. Treasurer George Burn, the Hon. Secretary, Fred Cook, and the General Secretary Captain Birdwhistle. The Provincial Presidents were as follows:

Ontario	Colonel James Mason	Toronto.
Quebec	Major H. B. Yates	Montreal.
Nova Scotia	Mayor J. W. Chisholm, K.C.	Halifax.
New Brunswick	Lieut.-Col. G. West Jones	St. John.
Prince Edward Island	Hon. F. L. Haszard, K.C.	Charlottetown.
Manitoba	Mayor W. Sanford Evans	Winnipeg.
Alberta	H. M. Tory, M.A., LL.D.	Edmonton.
Saskatchewan	William Trant	Regina.
British Columbia	Dr. W. D. Brydone-Jack	Vancouver.

Amongst those receiving honours in the organization during 1911 from His Majesty the King, as Sovereign head and Patron of the

Grand Priory, were Dr. F. Montizambert and Colonel G. Carleton Jones of Ottawa, Colonel J. M. Gibson, Lieut.-Governor of Ontario, and Sir Edward Clouston of Montreal who were appointed Knights of Grace. Another organization which was before the public during the year was the Canadian Defence League which had been formed in 1909 with headquarters at Toronto, an Organizing Committee headed by Lieut.-Colonel W. Hamilton Merritt and an Ontario Division with R. E. Kingsford as President. It published a journal called *Canadian Defence* and had the following platform: "The Canadian Defence League stands for high ideals in citizenship; it stands for the individually efficient life; it stands for the defence of Canada against internal and external enemies—enemies social, commercial, political, moral and national. The practical aim in securing an ideal citizenship is to give to every man a clear conception of his duties to his home, to his municipality, his province, his nation, and his empire. Prevention is the best defence as it is the best medicine. It is imperative that an adequate system of defence for our own country should be established." Summarized the object of the League was universal military training in some form or other. Under the auspices of the Ontario Division of the League a series of lectures was arranged and delivered at the University of Toronto in 1911, for the benefit of its students, upon military subjects and by experts in the different branches—Empire military organization, Artillery, Cavalry, Infantry, Musketry, Medical and Engineer services, being some of the topics.

The Royal North-West Mounted Police was reported on Sept. 30 to have 50 officers and 576 non-commissioned officers and men. It rendered the usual effective service during the year throughout its vast area of patrol, with districts which often involved 2,000 square miles of control and oversight for a single mounted constable, and with settlers banded together in racial communities—French, German, Swedes, Icelanders, Russians, Hungarians, Gallicians, and Negroes. During the 12 months ending Sept. 30, 9,418 cases had been entered for trial with 7,875 convictions and 179 cases awaiting trial. The Commissioner, A. Bowen Perry, urged in his annual Report that the Force should be increased and additional pay provided—the settled area having grown ten-fold in ten years, the population five-fold and the strength of the Force remained the same. The event of the year was the heroic death of Inspector Fitzgerald and a Patrol of the Police somewhere in the Arctic regions near Fort McPherson. They had undertaken a journey of 300 miles in the depth of winter with scant provisions and supplies. The Inspector's Diary traced their slow struggle with death until, on Feb. 5, 1911, 48 degrees below zero and the words "God Bless All," constituted the last record before the curtain fell.

Military incidents of the year was the offer of the Minister of Militia (Sir F. Borden) to sell the Fort Osborne barracks and land to the Provincial authorities at Winnipeg for $1,000,000 with possession in 1915—a price considered too large and therefore making construction of the new Parliament House thereon impossible; the efforts made by a Toronto Association to obtain Dominion, Provincial and public aid for a proposed national Memorial of the Heroes of 1812-14; the celebration of its golden jubilee by the 63rd Regiment of Halifax Rifles; the visit of a detachment of 8 officers and 40 men of the Canadian Artillery, with Lieut.-Colonel N. F. MacNachtan in command, to England in August to share in the annual competitions of the British Artillery Association; the victory of the Prince Edward Island riflemen in a Maritime Provincial shooting match on June 8 by the unprecedented local score of 762, or an average of 95½ per man; the visit of the 62nd Fusiliers of St. John to Boston, Mass., under command of Lieut.-Col. J. L. McAvity and its participation, on June 18, in a parade commemorating the 136th anniversary of the Battle of Bunker's Hill and Britain's lauded defeat in the Revolution; the appointment by the Militia Department, following the Ottawa Conference, of Lieut.-Col. R. J. Gwynne of Grenfell, Sask., to superintend the Cadet movement in the Western Provinces; the cancellation by the Minister of pending orders for swords made in Germany and the issue of an order by Colonel Hughes that only British-made swords be supplied Canadian officers in future; the graduation on June 21st of 32 Gentlemen Cadets from the Royal Military College at Kingston.

The Bisley meeting of 1911 was a most successful one for its Canadian participants. The Team was under command of Lieut.-Colonel G. A. Stimson of Toronto and the Mackinnon Cup was won for the third successive year by the Canadians—the score being 1,581 out of a possible 1,800 against Teams representing England, Ireland, Scotland, New Zealand, Guernsey, South Africa and India. The Prince of Wales Prize ($500) was won by Private W. J. Clifford, who followed up this success on July 22nd by winning the King's Prize—the blue ribbon of the world's rifle shooting—carrying with it $1,250 in money, the National Rifle Association's gold medal and its gold badge. The score was 319 out of a possible 355 and there were 1,150 competitors from all over the Empire. The winning of these two Prizes by one man was said to be unprecedented although Hayhurst of Hamilton in 1895 and Perry of Vancouver in 1904 had previously won the King's Prize alone in a competition which has been shared in by Canada since 1871. Clifford also took the *Standard of Empire* Cup and tied with 8 others for the *Daily Graphic* Prize. He won the Connaught Challenge Cup also and was personally congratu-

lated by F.M. Lord Kitchener, who was present, at winning the King's Prize, was given an ovation by the other marksmen to the strains of the "Maple Leaf Forever," and received many congratulatory messages from Canada.

In the Kolapore Cup contest Canadians tied with the Mother Country—the latter winning through having the largest total at the longest distance. The Silver medal in the King's Prize contest was only lost to Corporal J. Trainor of Toronto by one point. Lieut. F. H. Morris of Hamilton won the Challenge trophy, Sergt. James Freeborn of Hamilton won the Steward Cup. Lesser prizes were also carried off by Canadians and various small sums of money totalling $1,700 won. Of the Canadian and Australian Cadets present the latter proved the best shots. Private Clifford was given a great welcome home to Toronto on Aug. 14 which included a Civic address, a procession through crowded streets and a financial presentation. The Ross Rifle was used by the Canadians and some question was raised as to interference by Range officers in connection with the English custom of low shooting; though good sportsmen in Canada claimed that these complaints were both improper and ill-advised.

Other incidents in Militia affairs included the coming of eight Imperial officers in July to help in the training of the Canadian forces and in the work of the new military Divisions. Amongst them were Major L. F. Phillips, Lieut.-Col. C. E. English, R.E., and Lieut.-Col. T. B. Wood, R.E. On June 21st an Infantry Association of the Third Division was formed to help in meeting the difficulties of Camp recruiting and with the hope that a Dominion Association would follow. This was got partially underway and an Association was also formed for the 2nd Division. The 75th Picton Highlanders became allied to the Seaforth Highlanders and the 77th Wentworth Regiment to the Duke of Cambridge's Own Regiment with the approval of H.M., the King; a new Cavalry Regiment, the 28th New Brunswick Dragoons, was organized at St. John; Colonel G. E. Sanders, D.S.O., on retiring from the Mounted Police after 27 years of service was banquetted by the citizens of Athabasca Landing on Nov. 20th; the Prince of Wales 1st Fusilier Regiment of Montreal was re-organized as the First Grenadier Guards with Lieut.-Colonel John Carson in command and Lieut.-Colonel F. S. Meighen as senior Major. Of the voluntary Associations of the year Colonel S. Hughes, M.P., was (Feb. 27) elected President of the Dominion Rifle Association; and the following in the various Provincial Rifle organizations—Ontario, E. B. Osler, M.P.; Quebec, Lord Strathcona; Nova Scotia, Colonel J. D. Irving; New Brunswick, Lieut.-Col. H. H. McLean; Manitoba, Major J. R. Wynne; British Columbia, Lieut.-Col. A. W. Currie; Alberta, Lieut.-Col. J. Walker. Of the Canadian Rifle League Lieut.-Col. A. P. Sherwood, C.M.G., was elected President; of the Canadian Association of Corps of

Guides Lieut.-Col. A. J. Van Nostrand; of the Association of Medical Officers Lieut.-Colonel A. E. D. Labelle of Montreal. The following were the chief Militia appointments of the year 1911:

I.—HEADQUARTERS STAFF.

Quartermaster-General (Extension)	Brig.-Gen. D. A. Macdonald.
Judge-Advocate-General	Colonel Henry Smith.
Director of Musketry	Major R. G. Helmer.
Director-General of Medical Services (Extension)	Colonel G. Carleton Jones.
Assistant Adjutant-General	Major H. Kemmis-Betty.
Director of Military Training	Lieut.-Col. P. E. Thacker.
General Staff Officer for Moblization	Colonel W. G. Gwatkin.
Inspector of Horse Field and Heavy Artillery	Lieut.-Col. H. E. Burstall.
Inspector of Coast Defence Artillery	Lieut.-Col. H. C. Thacker.
Director of Artillery	Major H. M. Elliot, R.A.

II.—APPOINTED TO COMMAND OF REGIMENTS.

Regiment.	Retiring Officer.	Appointment.
1st, British Columbia Horse.	(New)	Lt.-Col. J. C. L. Bott.
2nd, Queen's Own Rifles	Lt.-Col. E. F. Gunther	Lt.-Col. R. Rennie, M.V.O.
2nd, Queen's Own Rifles	Lt.-Col. P. L. Mason, C.V.O.	Lt.-Col. M. S. Mercer.
2nd, Montreal (Artillery)	(New)	Lt.-Col. L. R. Johnson.
15th, Argyll Light Infantry	Lt.-Col. T. Stewart	Lt.-Col. L. W. Marsh.
24th, Kent Regiment	Lt.-Col. F. Stone	Lt.-Col. J. S. Black.
39th, Norfolk Rifles	Lt.-Col. W. Renton	Lt.-Col. L. F. Aiken.
48th, Highlanders	Lt.-Col. D. M. Robertson	Lt.-Col. W. Hendrie.
56th, Lisgar Rifles	(Re-organized)	Lt.-Col. Hugh Rankin.
57th, Peterborough Rangers.	Lt.-Col. A. Stevenson	Lt.-Col. E. B. Clegg.
87th, Quebec Regiment		Lt.-Col. H. O. Roy.
101st, Edmonton Fusiliers	Lt.-Col. E. B. Ewards	Lt.-Col. W. F. W. Carstairs.
6th, Duke of Connaught's Own Rifles	Lt.-Col. F. W. Boultbee	Lt.-Col. J. C. Stuart.
19th, St. Catharines Regiment	Lt.-Col. J. S. Campbell	Lt.-Col. W. W. Burleigh.
53rd, Sherbrooke Regiment.	Lt.-Col. R. J. Spearing	Lt.-Col. T. S. Somers.
76th, Colchester and Hants Rifles	Lt.-Col. M. Dickie	Lt.-Col. C. R. Coleman.
98th Regiment	(New)	Lt.-Col. D. C. McKenzie.
104th Regiment	(New)	Lt.-Col. W. A. Johnson.
82nd Abegweit Light Infantry	Lt.-Col. G. Crockett	Lt.-Col. J. R. Allan.
28th, New Brunswick Dragoons	(New)	Lt.-Col. H. H. McLean, M.P.
72nd Highlanders of Canada.	(New)	Lt.-Col. R. G. E. Leckie.
90th, Winnipeg Rifles	Lt.-Col. T. H. Billman	Lt.-Col. J. W. de C. O'Grady.
9th, Voltiguers de Quebec	Lt.-Col. O. Evanturel	Lt.-Col. L. G. Chabot.
83rd, Joliette Regiment	Lt.-Col. J. E. B. Normandeau.	Lt.-Col. C. J. J. L. Desaulniers.
34th, Ontario Regiment	Lt.-Col. A. G. Henderson	Lt.-Col. J. F. Grierson.
47th, Frontenac Regiment	Lt.-Col. J. E. Mabee	Lt.-Col. F. S. Ferguson.
1st Hussars	Lt.-Col. J. G. Merrison	Lt.-Col. H. R. Abbott.
26th, Stanstead Dragoons	Lt.-Col. K. J. R. Campbell	Lt.-Col. A. C. Hanson.
29th, Light Horse	(New)	Lt.-Col. H. Acheson.
95th, Saskatchewan Rifles	Lt.-Col. F. Ford	Lt.-Col. D. T. Smith.
23rd, Alberta Rangers	(New)	Lt.-Col. A. C. Kemmis.

III.—EXTENSION OF TERM IN REGIMENTAL COMMANDS.

7th Nova Scotia Regiment	Lt.-Col. H. A. C. Mowbray.
45th Victoria Regiment	Lt.-Col. R. H. Sylvester.
2nd Queen's Own Rifles	Colonel Sir H. M. Pellatt, C.V.O.
32nd Bruce Regiment	Lt.-Col. Hugh Clark, M.L.A.
86th Three Rivers Regiment	Lt.-Col. G. A. Tessier.
96th Lake Superior Regiment	Lt.-Col. C. N. Laurie.

IV.—MISCELLANEOUS APPOINTMENTS.

Princess Louise Dragoon Guards.	Hon. Colonel	H. R. H. The Duchess of Argyll.
Lord Strathcona's Horse (Permanent Force)	Hon. Colonel	Lord Strathcona and Mount Royal.
Royal Canadian Regiment	Rank of Colonel	Lt.-Col. J. C. MacDougall.
Royal Canadian Regiment	Rank of Colonel	Lt.-Col. S. J. A. Denison, C.M.G.
Royal Canadian Regiment	Rank of Colonel	Lt.-Col. J. Lyons Biggar.
99th Manitoba Rangers	Hon. Lieut.-Colonel	J. A. M. Aikins, K.C., M.P.
Army Medical Corps	Lieut.-Colonel	Major D. W. McPherson.

MISCELLANEOUS APPOINTMENTS—*Continued.*

9th Mississauga Horse	Hon. Colonel	Herbert C. Cox.
72nd Highlanders of Canada	Hon. Colonel	J. A. Macdonell, K.C.
Canadian Militia	Rank of Colonel	Lt.-Col. R. L. Wadmore.
Royal Military College	Inspector of Surveying	Lieut. F. A. Heymann.
Royal Military College	Instructor in Military Topography	Lieut. M. V. Plummer.
Corps of Guides	Lieut.-Colonel	G. K. Addie.
Corps of Guides	Lieut.-Colonel	A. J. Van Nostrand.
Corps of Guides	Lieut.-Colonel	H. R. Lordly.
100th Winnipeg Grenadiers	Hon. Lieut.-Colonel	Edward Brown.
Army Medical Corps	Lieut.-Colonel	C. F. Wylde.
Army Medical Corps	Lieut.-Colonel	A. E. Ross.
4th Infantry Brigade	Rank of Colonel	Lt.-Col. W. A. Logie.
Canadian Ordnance Corps	Lieut.-Colonel	Major J. F. Macdonald.
Canadian Army Service Corps	Lieut.-Colonel	Major W. Cowan.
Army Medical Corps	Lieut.-Colonel	Major J. Ross.
Corps of Guides	Hon. Colonel	Major-General W. D. Otter, C.V.O.
48th Highlanders	Hon. Colonel	General Sir I. S. M. Hamilton.
5th Regiment, Royal Highlanders of Canada	Hon. Lieut.-Colonel	Sir H. M. Allan, C.V.O.
Canadian Army Service Corps	Lieut.-Colonel	Major J. N. R. Guay.
Canadian Army Veterinary Corps	Lieut.-Colonel	Major A. W. Harris.
Canadian Army Veterinary Corps	Lieut.-Colonel	Major M. A. Piché.
Canadian Militia	Temporary Rank of Brigadier-General	Colonel F. L. Lessard, C.B., A.D.C.
Canadian Militia	Rank of Colonel	Lt.-Col. H. H. McLean, M.P.
Canadian Militia	Hon. Colonel	Lt.-Col. H. H. McLean, M.P.
Coronation Contingent	Commander	Lt.-Col. H. H. McLean, M.P.
Army Medical Corps	Lieut.-Colonel	Major A. T. Shillington.
21st Essex Fusiliers	Hon. Lieut.-Colonel	Major H. R. Casgrain.
23rd Alberta Rangers	Hon. Lieut.-Colonel	Lt.-Col. James Walker.
11th Argenteuil Rangers	Hon. Lieut.-Colonel	Lt.-Col. Henry Jekill.
48th Highlanders	Hon. Lieut.-Colonel	Lt.-Col. D. M. Robertson, M.V.O.
Military District No. 10	Senior Medical Officer	Major F. L. Vaux.
Military District No. 11	Senior Medical Officer	Major E. C. Hart.
Army Medical Corps	Lieut.-Colonel	Major J. A. Roberts.
Royal School of Artillery	Commandant at Quebec	Lt.-Col. H. E. Burstall.
Royal School of Artillery	Commandant at Halifax	Lt.-Col. H. C. Thacker.
Permanent Force	Rank of Colonel	Brevet-Col. G. Hunter Ogilvie.
Canadian Army Pay Corps	Lieut.-Colonel	Major S. J. R. Sircom.
Canadian Army Veterinary Corps	Lieut.-Colonel	Major W. B. Hall.
Canadian Army Veterinary Corps	Lieut.-Colonel	Major J. Massie.
Rockliffe Ranges	Commandant, 1911	Colonel S. Hughes, M.P.

Industrial and Financial Mergers in Canada during 1911

This development in modern business methods assumed during the year a position of public importance and became of great public interest. It had commenced in 1909, grown largely in 1910 and in 1911, and reached proportions which involved a total of about $400,000,000 of nominal capital for the three years. The beginning of the idea was a natural one—the merging of a prosperous business or financial or industrial concern in, or with, another so as to relieve the original maker of the business or interest of further responsibility while continuing to him profits from his past skill or enterprise. Then it became, very often, a policy of partnership between rival concerns to save duplication of energies and expense, to effect economies in management and business. From these developments it passed into a larger and wider sphere of combining great financial institutions and industrial concerns. All these stages were in evidence

in Canada during 1909-11—as they had been some years before in the United States.

According to Mr. F. W. Field in the *Monetary Times* of Toronto, the total aggregate authorized capitalization of 39 Industrial mergers in the three years mentioned was $334,938,266; with two other mergers not specified the number of individual companies thus absorbed was 196; of these amalgamations 28 issued Securities to the public totalling $44,071,666; with 13 of the Securities thus issued and totalling $15,950,000 there was an aggregate bonus of $6,567,500 given. All kinds of commodities were included in these combinations—soap, cereals, bread, flour, milk, cars, lumber, cement, leather, steel, coal, ice, shoes, furs, paint, jewellery, etc. In financial and other directions the spirit of merger also showed its influence. Banks, Loan and Insurance Companies, Steamship concerns and other interests were consolidated and there were unsuccessful efforts, during 1911, to bring together certain cigar manufacturers, breweries, stove foundries, gas companies, packing-houses, etc. Amongst the reasons given for proposed or successful consolidations were the standardization of brands, elimination of useless competition, the obtaining of further capital, the prevention of increase in prices to the public, the keeping pace with increasing demands, the elimination of certain freight charges, the savings from a concentration of executive, purchasing, manufacturing and selling departments, the avoidance of duplication in output, branches, and patterns, increased economies in distribution.

Early in the year the Canadian Steel Foundries, Ltd., was organized at Montreal with N. Curry as President, a capital of $10,000,000 and a total issue of $8,500,000. It included the Montreal Steel Co., Ltd., and the Ontario Iron and Steel Co. of Welland which had a total capital of $1,800,000. In February the Ames-Holden Ltd. and the James McCready Company, Ltd., boot and shoe manufacturers of Montreal, were amalgamated and the original capital of $3,500,000 increased to $11,500,000 of which $7,000,000 was issued. As controlling another combination called the Canadian Felts Ltd. this arrangement was supposed to put D. Lorne McGibbon, of Montreal Rubber interests, largely in control of the foot-wear business of Canada. About the same time the Canadian Coal and Coke Co., Ltd., was organized at Montreal with the Western Coal and Coke Co., the Lethbridge Collieries, the Pacific Pass Coalfields, the St. Albert Collieries and the Kootenay and Alberta Railway as the ingredients and a total capital of $15,750,580—increased to $21,506,000 of which $18,750,000 was issued. H. A. Lovett, K.C., was President and E. B. Greenshields Vice-President.

In April Belding-Paul-Corticelli Ltd. was organized at Montreal and composed of three Silk concerns having a combined capital of $895,000 which was increased to $3,500,000 of which

$2,350,000 was issued. During this month the International Milling Co. of Canada was formed with headquarters at Moose Jaw, Sask., and a capital of $8,000,000 of which $5,500,000 was issued. The parties to the amalgamation were the International Milling Co. of Minnesota (5 mills) and the Canadian Cereal and Milling Co. of Montreal—with the same combined capital. Amongst the new Directors were J. D. Flavelle, C. S. Wilcox of Hamilton and J. W. McConnell of Montreal. In Toronto, during May, the Carter-Crume Co., Ltd., was amalgamated with the American Sales Book Co. and the Eastern Sales Book Co., Ltd.—S. J. Moore becoming President of the combined concern. On June 9th J. W. McConnell of Montreal announced that arrangements had been completed for financing and combining certain large Paint interests—the Sherwin-Williams Co. of Montreal, Lewis Berger & Sons of London, England, and the Canada Paint Company which already represented a consolidation of three large Canadian concerns. The capital involved was $2,500,000 which was increased to $12,000,000 in the new Sherwin-Williams Co. of Canada, Ltd., and of which $9,450,000 was at once issued. W. H. Cottingham of Cleveland became President and C. C. Ballantyne of Montreal Managing-Director.

A merger was announced in August of the Canadian Fairbanks Co., Ltd., Montreal, and the Fairbanks-Morse Canadian Manufacturing Co. of Toronto with its subsidiary companies the Dominion Safe & Vault Co. of Farnham, Que., and the E. & T. Fairbanks Co. of Sherbrooke, Que. The combined capital was $1,400,000 and the new Canadian Fairbanks-Morse, Ltd., was capitalized at $2,600,000 of which $1,800,000 was issued. H. J. Fuller of Montreal was appointed President and branches were organized all over Canada. A little before this the Canadian Pacific Lumber Co., Ltd., of Vancouver, was organized as an amalgamation of five British Columbia concerns having a joint capital of $840,000. The new Company was capitalized at $5,000,000 of which $3,750,000 was issued. In August the Canada Bread Co., Ltd., was formed at Toronto as a merger of the Bredin, Weston, Tomlin, Stuart and Boyd Bakeries which had a combined capital of $575,000. The President of the new Concern was Cawthra Mulock and its capital was placed at $5,000,000 of which the whole amount was issued. A consolidation of Meat interests followed in November as Matthews, Laing, Ltd., and was made up of George Matthews Co., Ltd., Ottawa and Brantford, the Park, Blackwell Co., Toronto, and the Laing Packing and Provision Co. of Montreal. The combined capital of $2,000,000 was increased to $7,000,000 of which $4,450,000 was issued. The Canadian Jewellers, Ltd., was formed at Montreal in October for manufacturing and retail-sale purposes and with a number of small manufacturing concerns involved in Montreal, Toronto and the Eastern Townships of Quebec. The new capital

authorized was $5,000,000 but further details were not made public.

An important merger of the year was the consolidation of certain large Lake Steamship interests. For some months it had been understood that the Northern Navigation Co., Ltd., would be acquired by the Inland Navigation Co. at a stated price of $1,250,000. The former Company was itself a consolidation (1899) of three other Lake concerns and the Playfair interests in the latter Company had also recently acquired the Midland Navigation Line and by this and the new deal would add 18 large steel freighters and 7 passenger and freight steamers to their fleet. On Mch. 24th it was announced that new Directors of the Northern Navigation Co. had been chosen representing the interests of Lord Furness, James Playfair and Montreal and Toronto capitalists. On June 26, the amalgamation of the Northern Navigation and Inland Lines with the Richelieu and Ontario Navigation Co. of Montreal was announced—with an authorized capital of $10,000,000 and the ownership of 50 steamers plying between Duluth, Fort William and the sea. Of the new merger—the most important navigation interest in Canada—Lord Furness was appointed Hon. President and R. Forget, M.P., President, with a large and influential Board. At the close of the year the Niagara Navigation Co. absorbed the Hamilton Steamship Co. and the Turbine Steamship Co. while the R. & O. Company was negotiating for control of the whole three.

In Montreal during this year there was a renewal of the public controversy over the Montreal Street Railway with its paid up capital stock of $10,000,000. This Company, at the close of 1910, had very nearly concluded a merger with the Montreal Light, Heat and Power Co.—paid up capital $17,000,000—but public opposition had for the time prevented its conclusion. Later on, however, steps were taken to acquire the Park and Island Railway Co. with Assets of $3,861,779, the Terminal Railway with Assets of $1,774,211 and the Public Service Corporation which, with their own concern, would be known as the Montreal Tramways Co. Public objection was taken to the merger by Senator F. L. Beique as a shareholder and by the City, officially, but the Public Utilities Commission of the Province eventually allowed it to go through.

Of the larger mergers in 1909 and 1910 the Dominion Steel Corporation, the Steel Company of Canada, the National Breweries, Ltd., the Quebec Light, Heat and Power Co., the Dominion Canneries, the Canadian Car & Foundry Co. with their total capital of $165,000,000 seem to have prospered; at any rate the public did not hear to the contrary. The Amalgamated Asbestos Corporation of Montreal, however, with its issued stock and bonds of $18,000,000, to take over and operate properties capitalized at $3,550,000, had a different experience. In September, 1911,

$10,000 of bonds in this first Canadian merger sold on the Montreal Stock Exchange at 40! Efforts were made to effect a re-organization during 1911, changes were made in the Directorate and management and, at the close of the year, the United States and British interests concerned formed Committees to protect their bondholders and help in the re-organization.

The Canada Cement Co., Ltd., of Montreal was the most discussed of these industrial mergers during 1911. Originally formed of 11 concerns having a combined capital of $17,750,000* and capitalized under the new conditions at $38,000,000 with $36,000,000 issued, it had become a subject of public discussion through various causes. The Assets of the absorbed companies in this as in other cases were, of course, much larger than their capital. In the Cement case there were lands, plants, railways, machinery, etc. The assets of the Merger itself were stated on Dec. 31, 1911, at $31,911,200 of which $28,795,000 was described as Property Account. It was notable, also, as being the concern from which Sir W. M. Aitken, youthful millionaire, financier and politician, was supposed to have profited largely and to have been chiefly instrumental in creating. As to his other Canadian flotations (Canadian Car, Calgary Power, Western Canada Power, and Steel Co. of Canada) there had been little criticism. In the Cement matter, however, there was much controversy. On Feb. 21, at the annual meeting, Sir Sandford Fleming resigned from the Board and also his position of Hon. President; so did C. H. Cahan, K.C., and W. D. Matthews. Hon. W. C. Edwards was re-elected President and, during the session of Parliament, an effort was made to obtain legislation permitting the Company to create 5 per cent. Debenture stock to the aggregate value of $11,000,000 of which F. P. Jones, the General-Manager, explained that it was not the present intention to issue more than $2,000,000. On May 11 a letter was read by the Chairman of the Private Bills Committee from Sir Sandford Fleming protesting against the proposal. The latter presented a statement of alleged conditions in respect to the original organization of the Company on Sept. 10, 1909:

> **Bonds of Canada Cement Co., $5,000,000; 7 per cent. preferred stock, $11,500,000; common stock, $13,498,400; total face value, $29,998,400—appropriated by an intermediary agency. The same agency paid on behalf of the Merger, in cash, $1,770,000; in the purchase of 11 properties, $14,822,250; total payment, face value, $16,592,250, which, deducted from securities appropriated by intermediary agency, leaves a balance face value of $13,406,150 which, on behalf of the intermediary agency, requires to be accounted for.**

Mr. Jones replied at once stating that Sir Sandford had his facts twisted. "As far as I know any profit made in the organization

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*NOTE.—The figures used throughout this Section include bonds as well as stocks.

of the Canada Cement Co. was shared in by him. Since my connection with the Company (Jan. 1, 1910) there were no difficulties until Sir Sandford saw that the President and Directors would not take over an insolvent company (Exshaw in Alberta) of which he was President, to the detriment of the shareholders of the Canada Cement Co. and to his own personal and financial advantage." If there was any such discrepancy as was stated financial opinion seemed to think the explanation was in the treating of blocks of stock, of so many million dollars face value, as if they represented an equivalent sum of real money. This might be true in England where it is not permitted to issue stock at a discount, but it is far from being the case in Canada where the American system of capitalization prevails and stock is constantly issued for a very small fraction of its face value or thrown in for nothing as a bonus with bonds or senior securities. Sir Sandford was said to have placed the preferred stock at a million more than it really was and the facts were stated by Mr. Jones, on May 15, to be as follows: " Securities and the approximate valuation—Bonds $5,000,000 issued at 90, total value $4,500,000; Preferred Stock $10,500,000 issued at about 85, total value $8,925,000; Common Stock $13,500,000, issued at about 30, total value $3,600,000. Real value of total capital, bond and stock, $17,025,000. With this sum, or the stock certificates representing it, the promoters paid for all the properties acquired for the Cement Merger. Precisely what they paid is only known to the organizers of the Company. The amount that Sir Sandford quotes, $16,592,250, is the face value and not the real value; that is, only a small portion of this payment was in actual money."

Pending the appointment of a Royal Commission as to organization, over-capitalization, etc., promised by the Premier, nothing further was done at this time but the price of Cement became involved and caused a further controversy. The Company claimed that the Merger had actually lowered the cost to the consumer; the Winnipeg *Free Press* stated on May 16 that the price had jumped immediately afterwards from $1.00 to $1.50 a barrel. According to figures published in the Montreal *Herald* of July 31 the average prices of cement at the mills ranged variously from $1.91 in 1900 to $1.39 in 1908, $1.32 in 1909 and $1.34 in 1910; while in Montreal the average prices furnished by local dealers ran from $2.11 in 1900 to $1.45 in 1908; $1.38 in 1909, $1.40 in 1910 and to $1.35 in 1911. The Winnipeg *Canadian Finance* stated on Nov. 1, 1911, however, that " The City had, this year, to pay, practically, the same for 20,000 barrels of cement at $2.25 a barrel as it paid for 25,000 barrels in 1909 at $1.76 just before merger prices came into force." These figures were admitted and denounced in the Winnipeg City Council on Oct. 23rd and on Oct. 25th the *Free Press* called on the Borden Government to prevent such mergers in the future. Meanwhile, in

September, the Cement Company stated that the price of cement had already been reduced and that they "were working upon the idea of increasing consumption by lowering prices rather than by curtailing production and obtaining higher prices." The figures already quoted from the Montreal *Herald* were described as official and accurate and on Nov. 1st a reduction was put into operation all over Canada averaging, it was said, 7 per cent. Speaking in Winnipeg on Dec. 7th Mr. F. P. Jones stated that the higher prices in that place were due to local causes and freight rates. An echo of Sir Sandford Fleming's charge was heard on Dec. 22nd when the Bank of Montreal took an action in the Courts against that gentleman and his associates in the Exshaw Company for $85,000.

Meanwhile, and with distinct bearings upon some phases of this situation, the Combines Investigation Act of 1910 was being tested and one important case brought before the Courts. It was that of the United Shoe Machinery Co. of Canada with headquarters at Quebec and said to be a corporation organized under the laws of New Jersey and managed from Boston, Mass., with combine or restrictive contracts employed in Canada. Four boot and shoe manufacturing concerns in Quebec were specified, and one in Lévis, as included. An application had been made to Mr. Justice L. J. Cannon in Quebec on Nov. 10, 1910, and an order issued on Feb. 25, 1911, directing the establishment of a Board of Investigation. The Judge in his statement said: "I am satisfied that there is reasonable ground for believing that a Combine exists with regard to the manufacture and sale of machinery for manufacturing boots and shoes, which has operated to the detriment of consumers and producers. . . . The said Combine affects prices as follows:

> It compels all manufacturers of boots and shoes having contracts with the Company or requiring any one of their machines to obtain all their machinery from it, also to buy from the Company certain supplies used in the manufacture of boots and shoes. It prevents them from buying machinery that would do the same or better work from other manufacturers or dealers and in a like manner restricts their purchase of supplies. It thus places them at the mercy of the Company as regards prices for machinery and supplies, increases the cost of their machinery and supplies, and this increases the cost of the manufactured article—boots and shoes. By thus increasing the cost of manufacture, the price to the consumer is thereby increased on all the principal lines of boots and shoes. The said Combine also restricts competition in machinery used in the manufacture of boots and shoes, as it destroys the market for all other manufacturers of and dealers in such machinery, who are unable to make sales to boot and shoe manufacturers. It prevents the establishment of Canadian industry in the making of such machinery and keeps the whole of such business in the hands of the Company, and it stifles all incentive to invention or improvement in machines.

On Mch. 23rd the Company filed a petition in the Superior Court of Montreal for the prohibition of this Board of Investiga-

tion (Hon. C. Laurendeau, W. J. White, K.C., and J. C. Walsh) on the ground of lack of jurisdiction and illegality. A. Geoffrion, K.C., on behalf of the Dominion Government opposed this contention and, on Apl. 1, Mr. Justice A. A. Bruneau gave judgment in favour of the Petition. In July the Judicial Committee in London dismissed the application of the United Shoe Co. which had, meanwhile, been made for the right to appeal against Mr. Justice Cannon's judgment directing an investigation. A further extension of Judge Bruneau's prohibition lapsed on Sept. 15 and the Inquiry then proceeded and continued up to the close of the year.

Meanwhile, at the beginning of 1911, the Union Bank of Canada, with its paid-up capital of $3,315,000, absorbed the United Empire Bank, established by George P. Reid in 1906, with a paid-up capital of $559,523, total liabilities of $3,321,571, and total assets of $3,881,095. The year closed with a still more important consolidation and one which preceded some remarkable developments along the same line in 1912. The Canadian Bank of Commerce by an agreement with the Eastern Townships Bank which was ratified by the Shareholders of both institutions joined their forces in December. The former Bank had been organized in 1859 with headquarters at Sherbrooke, Que., and a local mission which, as the years passed, had developed into a national position with branches all over Canada. .William Farwell had been General Manager for 41 years and President since 1902. This arrangement put the Commerce away in the lead as the second largest Bank in Canada, gave it a total of 330 branches and established it strongly in the Province of Quebec where it had been weakest. The Eastern Townships brought with it, also, $3,000,000 of paid-up capital, $2,400,000 of Reserve Fund, $3,100,000 of Circulation, $19,500,000 of Deposits and Current Loans of $19,385,000. The total Assets of the two institutions were $210,861,000 and the Deposits $165,475,000.

There was, of course, public criticism of this amalgamation and in the West fears were expressed of a coming Banking monopoly. The Winnipeg *Telegram* of Dec. 23rd put the matter this way: "It would be absurd to reflect on a Banking amalgamation as if it were a designed conspiracy to bring such a state of affairs about. Everybody knows the high character of the Canadian Bank of Commerce and of the Eastern Townships Bank, and the standing as citizens of their leading spirits. But they are servants of a process which they do not and cannot control, whose operation contains elements of danger to the country." As to industrial Mergers the Montreal *Chronicle* sounded a note of alarm (May 12) while much was said in the Elections by the Liberals as to Trusts in Canada and by the Conservatives as to still greater Trusts in the United States. The New York *Journal of Commerce* early in the year declared that combinations in the

United States were slowly losing ground while the New York *Financial Post* in July described Canada as going through a process of which the Republic had a violent attack in 1899-1902 and which had not been cured by the 46 industrial mergers which had failed or required desperate measures of preservation in 1903-4.

Public Incidents of the Year—Legal.

Jan. 5.—Mr. Justice Bruneau, Montreal, in a case involving the attendance of Arthur Lortie, M.P., lays down the British principle that no member of Parliament can be compelled to attend Court while Parliament is sitting.

Apl. 10.—The Montreal *Star* expresses itself editorially in favour of limiting the right of appeal to the Imperial Judicial Committee.

June 13.—Lord Macnaghtan delivers a judgment of the Judicial Committee in London which declares that the ownership of land on the banks of a navigable stream does not include exclusive fishing rights.

June 16.—C. D. Sheldon, the financial "fakir" who obtained large sums of Montreal money on a promise of 40 and 50 per cent. a month, is sentenced by Mr. Justice Langelier to five years in the Penitentiary.

Oct. 29.—On a verdict of manslaughter in the case of Farquhar McRae charged with killing William Shaw on July 1st Mr. Justice Sutherland condemns him to the Penitentiary for life. In view of the extraordinary character of the case much surprise is expressed at the severity of the sentence.

Nov. 21.—Mr. Justice Riddell, in Toronto, sentences Edward Wilkie to 10 years in the Penitentiary for beating his wife to death when intoxicated.

Nov. 29.—Mr. Justice Riddell, in Toronto, sentences Roy Brintnell to 7 months in the common gaol for speeding in a motor which killed Mrs. E. Salter. The maximum punishment was 2 years.

Dec. 6.—Chief Justice E. L. Wetmore of the Saskatchewan Supreme Court severely condemns a Jury at Moose Jaw for acquitting a prisoner charged with attempted burglary and whose guilt seemed clear. He points out that of 10 criminal cases before the Court only 3 had resulted in conviction.

Dec. 22.—In a written judgment upon an appeal case by a man named Zuber before the Divisional Court at Toronto Mr. Justice W. R. Riddell says: "This case discloses the most disgusting mass of perjury it has been my ill-fortune to meet in 30 years' experience. The fountains of justice are too often polluted with falsehood and a lesson should be taught offenders that they cannot perjure themselves with impunity in an affidavit."

Dec. 28.—The Ontario Bar Association discuss the question of a Divorce Court, and approve the principle but can come to no uniform conclusion as to the grounds upon which Divorce should be granted.

Dec. 29.—The suit of the Indians of Two Mountains involving records dating back to 1717 and the ownership of the Seigneury of that name held by the Seminary of St. Sulpice, Montreal, is dismissed by Mr. Justice Carroll of the Court of King's Bench.

Dec. 31.—During the year A. J. Brown, K.C., is elected Batonnier of the Bar of Montreal, J. A. M. Aikins, K.C., President of the Manitoba Bar Association, and W. C. Mikel, K.C., of Belleville, President of the Ontario Bar Association.

Dec. 31.—The following appointments are made to the Bench of Canada or the Provinces during 1911:

Judge, Supreme Court of Judicature	Ontario	Hugh Thomas Kelly, K.C.
Chief Justice of the Superior Court	Quebec	Hon. Francois Xavier Lemieux.
Puisne Judge of the Superior Court	Quebec	Charles Edward Dorion, K.C.
Chief Justice, Court of King's Bench	Quebec	Hon. Horace Archambeault.
Puisne Judge, Court of King's Bench	Quebec	Honoré Hippolyte Achillé Gervais, K.C., M.P.
Puisne Judge of the Supreme Court of Canada	Ottawa	Hon. Louis Philippe Brodeur.
Junior Judge of the County Court	Renfrew	Alson Alexander Fisher.
Judge of the City Court	Charlottetown	Kenneth John Martin.
Judge of the District Court and Local High Court Judge	Algoma	Frederick Stone.
Judge of the County Court, Eastern Judicial District	Manitoba	George Paterson.
Judge, County Court, Kings and Albert	N. Brunswick	Wilfrid Burwell Jonah.
Puisne Judge of the Superior Court	Quebec	John Malcolm McDougall, K.C.
Master of the Rolls in Chancery	P. E. Island	Hon. Francis Longworth Haszard, K.C.

Public Incidents of the Year—Sociological.

Jan. 10.—The Moral and Social Reform Council of New Brunswick pass Resolutions asking for inspection of liquor sold in licensed places, for the Provincial regulation of moving picture shows and the censoring of films, for an amendment to the Criminal Code prohibiting the exhibition of an unlawful act in a moving picture.

Feb. 22.—In the Senate Hon. J. N. Kirchoffer states the total number of Canadian Divorces granted since 1868 at 160 with 145 others granted in the Provincial Courts of Nova Scotia, New Brunswick, Prince Edward Island and British Columbia.

Mar. 31.—For the fiscal year 1910-11 there was Excise duty in Canada upon 585,935,000 cigarettes—of which only 2,138,000 were of an expensive kind—as compared with 356,756,000 in the year 1908-9.

Mar. 31.—For the fiscal year ending at this date the average population of the Penitentiaries of Canada was 1,834 with 334 released under the Parole system and 10 per cent. composed of lads under 20 years of age; 1,004 were born in Canada, 229 in the United States, 297 in Great Britain, and the rest scattering.

July 8.—The Toronto *Globe* editorially asks if bravery is becoming uncommon and answers the question as follows: "Several London men, the victims of either cowardice or too much liquor, perhaps of both, stood by a few days ago while two boys were drowned in a pond. When the wharf at the King Edward Park, near Montreal, collapsed men in the crowd thrown into the water scrambled to safety leaving women beneath them in the water. In certain recent drowning accidents in the vicinity of Toronto it has not been established that every effort was made by the men who were rescued to save their women companions who were drowned. But the most significant of recent signs of the times is the story of the collapse of the pier at Queen's Park, Aylmer, Quebec, on Thursday night. There, fifty per-

sons were thrown into the water, and the bulk of the people were rescued by three men while many others stood around."

Sept. 14.—The New Westminster Branch of the Bank of Montreal is broken into by burglars and robbed of $200,000; no trace is found of the men.

Sept. 26.—The Moral and Social Reform Council of Toronto pass Resolutions demanding Legislation against race-track betting; the complete suppression of immoral resorts and the refusal of bail in cases of social crime; power to search for obscene literature to be given constables and the possession of such obscene literature to be a crime; the amelioration of conditions in lodging houses of low standard.

Oct. 23.—At the Dominion W.C.T.U. Conference held in Sherbrooke, Que., Mrs. A. A. Gordon states that 1,500 young girls disappeared from sight and knowledge in Canada during the past year as victims of the White Slave traffic—with Chicago as a central point.

Nov. 4.—The Toronto *Monetary Times* states that in 4 years 8,718 persons have been killed in Canada by accident and 27,992 injured —of the former 2,049 were killed by steam railways and 7,344 injured; 301 killed by Electric Railways and 8,296 injured; 5,296 killed in industrial accidents and 10,444 injured; 1,072 killed in Fires and 1,908 injured.

Nov. 29.—In the Senate Sir Richard Scott states that according to the Cenus returns of 81,000 persons born in Canada, in one year, 21,828 died before they had lived a year.

Dec. 10.—In Toronto the Rev. Father Vaughan denounces Race suicide. "If it continues to increase for the next 25 years as it has for the past quarter century the deaths will outnumber the births, and nations will choke themselves to death. . . . It is a pest that is beginning to lift its head and do bad work in Ontario. It is a question of phenomenal importance, not only to the moralist but even to the sanitarian. It is an outrage upon the laws of nature, and her laws may not be outraged with impunity."

Dec. 29.—At a meeting of Y.M.C.A. delegates from all over Canada it is decided to establish the Canadian system of Associations as a national one independent of United States affiliations and New York control.

Dec. 31.—During the year the Young Men's Christian Associations of Canada make remarkable progress. The property held in Ontario and Quebec was estimated at $2,500,000; in the West there were said to be 15 Associations with 10,000 members; at New Westminster, B.C., a new building costing $47,000 was erected; at Lethbridge, Alta., and Cranbrook, B.C., new buildings were opened; at Saskatoon $110,000 was raised for a new building and $26,000 for a Y.W.C.A. with subscriptions of $5,000 each from J. F. Cairns, T. A. Blain, Mr. and Mrs. F. Engen, A. R. Fletcher, C. A. Gillespie, Hon. A. P. McNab and W. C. Sutherland, M.L.A.; at Brantford $117,000 was subscribed for a similar purpose in three days—to which the Massey-Harris firm and members contributed $24,000 and the Cockshutt family $22,500; at Guelph $67,000 was raised in six days for a new building with $5,000 subscriptions from W. E. Buckingham, J. W. Lyon, Miss Forbes, W. E. Cutler and Lord Strathcona; at Galt $50,000 was obtained—J. W. Woods, A. R. Goldie and Lord Strathcona each contributing $5,000; at Halifax $150,000 was asked and there were 23 contributors to a new local building at $1,000 each with $10,000 from Lord Strath-

cona, $7,000 from Mrs. E. Rosenburg and $2,500 from S. M. Brookfield; at Regina $50,000 was raised.

Public Incidents of the Year—Orange Order.

Feb. 15.—Dealing with the Eucharistic Congress of 1910 the Grand Master of British Columbia (Rev. R. J. McIntyre) embodies utterances at all the Grand Lodges as follows: "Within the last twelve months we have been called to witness a sight which could not have been seen in France or Spain and which was by law prohibited in the Motherland. The nation presents the spectacle of bending the knee to the representative of a Church which claims superiority over the State. The whole affair seems to have been conceived and carried out by Roman authority for the purpose of magnifying and glorifying the Roman Catholic religion and at the same time discrediting and disparaging the Protestant religion in the eyes of the masses."

Mar. 8.—The Grand Lodge of Ontario West at Barrie passes a Resolution in favour of (1) the entire abolition of all bi-lingual schools in this Province; (2) the elimination of all sectarian teaching in the public schools of the Province either before, during, or after, any teaching session of the schools, except such as is laid down in the curriculum prepared by the Department of Education.

Mar. 15.—In all the Grand Lodge meetings vigorous denunciation of Reciprocity is heard and the following from the address of the Grand Master, D. D. Ellis of Saskatchewan, is typical: "The ratification of the Agreement means Annexation just as surely as did the more open movement of twenty years ago and it is a question in which I am certain true Canadians will feel above party affiliations and stand steadfast by Canada and the Empire."

June 5.—In the Orange *Sentinel* A. G. Ellis, Provincial Grand Secretary of the Order in Quebec, appeals to Protestants everywhere to "save Quebec" from the control of the Catholic Hierarchy and the influence of Rome.

June 27.—Addressing the Black Chapter of British America the Grand Master—Thomas Gilday of Quebec—says: "With no man have we any quarrel as long as he does not attempt to secure any special favours or privileges in state affairs through the influences of any Church. With man's creed we make no interference, leaving it to his conscience and his God. The upholding of the Protestant religion, the unity of the Empire, maintenance of the Crown and an open Bible, is our religion."

June 29.—The Grand Lodge of British America meeting at Winnipeg receives a Report from its Correspondence Committee dealing with the Ne Temere Decree as a "heart-wrenching and home-wrecking measure" and urging support of other Protestant organizations in having legislation introduced "making it possible to treat the Roman Catholic priests who dare to put their hands on the marriage laws of Canada as criminals and have them, after process of a fair trial and conviction, consigned to penal servitude as a fitting punishment."

June 30.—The Grand Lodge of British America unanimously adopts the following Federal Platform for the Orangemen of Canada: "(1) The entire separation of Church and State; (2) Opposition to any interference of the Dominion Government with the different Provinces in educational affairs; (3) The resistance of any further special privileges to any section of the population of the Dominion either on account of race or religion and the elimination of any special privileges which they now

possess except those included in the Confederation compact; (4) Opposition to any extension of lingual privileges beyond those conferred by the B.N.A. Act; (5) The maintenance of British connection and the support of any movement which tends to make closer and more binding the relations between Canada, Newfoundland and the Mother-Country; (6) A closer supervision of all new settlers and the encouragement of suitable white emigration from the British Isles, the United States and Northern Europe; (7) A Federal marriage law recognizing the validity of marriages performed by qualified clergymen of every denomination, or other persons vested by the law with that power, and the enactment of criminal penalties against persons using their influence to separate legally married couples by questioning the validity of marriages performed in accordance with the provisions of this law; (8) Government inspection of all religious, educational, and charitable institutions and the inspection of the books of all institutions receiving aid from the public treasury."

Dec. 31.—The heads of the Orange Order in Canada—elected and acting during 1911 were as follows:

Institution.	Grand Master.	Headquarters.
Grand Lodge of British America	Lieut.-Col. J. H. Scott	Walkerton.
Grand Lodge of Ontario West	Harry Lovelock	Toronto.
Grand Lodge of Ontario East	Colonel John Hughes	Newtonvale.
Grand Lodge of Quebec	David Hadden	Montreal.
Grand Lodge of Manitoba	T. J. Noble	Winnipeg.
Grand Lodge of Alberta	A. Chapman	Cochrane.
Grand Lodge of Saskatchewan	Dr. D. D. Ellis	Fleming.
Grand Lodge of British Columbia	G. J. Grimason	Victoria.
Grand Lodge of New Brunswick	Rev. Byron H. Thomas	Dorchester.
Grand Lodge of Nova Scotia	George White	New Glasgow.
Ladies Orange Benevolent Association	Mary Cullom	Toronto.
Loyal True Blue Association	William I. Cole	Cannington.
Loyal Orange Young Briton's Association	Gordon Black	Toronto.
Grand Black Chapter of British America	Joseph McGill	Deloraine, Man.
Grand Black Chapter of Ontario West	Dr. A. J. Hunter	Orangeville.
Grand Black Chapter of Eastern Ontario	Joseph Batten	Peterborough.
Grand Black Chapter of British Columbia	G. J. Grimason	Victoria.
Grand Black Chapter of Manitoba	R. W. Birch	Roland.
Prentice Boys Association.	Harry Sellen	St. John.

Public Incidents of the Year—Women's Work.

Feb. 6.—An open letter from Mrs. Harriet H. Bullock, President of the Quebec Province Women's Suffrage Association, and addressed to the Royal Commission on Technical Education, is made public. In it the organization of trade schools is urged so as to give young women another alternative to domestic service.

Apl. 3.—The Montreal Women's Club celebrates its 19th anniversary and in an address Mrs. W. H. Weller says: "Women are the natural conservers of life while to man has been assigned the part of caring for the externals and accessories of life—a division which cannot be changed by human law or custom. Do you think that the element of motherhood is the force which

you can best afford to exclude, to ignore, in the communal or the civic life?"

Apl. 10.—The Rt. Hon. Sir Joseph Ward, Premier of New Zealand, in addressing a women suffrage gathering in Toronto says that the policy in his country has, since its acceptance in 1898, been most successful. The only limitation is that women cannot sit in Parliament. "Since the granting of the franchise a great many laws, which were blots on the statute book, have been removed and others have been passed which have gone far, not only to elevate the position of woman, but to protect or support her in every condition and age. Men alone could never have effected such laws as that for the preservation of infant life which has resulted in the institution of a band of trained women-nurses who are paid by the State to go from home to home, helping inexperienced young mothers. The State furnishes medical attendance at births in the families of the poor, and in the case of working-women furnishes them with money for the necessaries of life until they are able to return to work."

May 5.—The Provincial Political Equality League holds its first Convention at Victoria, B.C., elects Mrs. Gordon Grant President and hears Senator Cottrell of Washington, U.S., say that in every state or country where women had been given the vote they had used it well.

May 18.—The Hon. I. B. Lucas, M.L.A., of the Ontario Government, tells a Toronto audience that "When a substantial majority of the women of Canada declare themselves in favour of the franchise no Government could have any reason, selfish or otherwise, for refusing it. I am convinced that when public opinion is in favour of it the women will receive it."

Oct. 13.—Mrs. McKinney, President of the W.C.T.U. of Alberta and Saskatchewan, speaks at a Calgary Convention as follows: "Women's franchise means home protection. In this age it is no longer possible for women to protect their homes from within. They must go outside and the best way for them to accomplish this protection is by the ballot."

Oct. 25.—During the Dominion Convention of the W.C.T.U. held at Sherbrooke the following Resolution is passed: "That each Provincial Union begin an active campaign for women's enfranchisement, demanding the ballot because women are citizens."

Dec. 4.—The Toronto Local Council of Women makes public a platform demanding (1) separate trials for women in the Police Courts and to which the male public shall not be admitted; (2) the compulsory establishment of Juvenile Courts in all parts of the Province; (3) the provision of adequate gaols in cities and counties; (4) the establishment of prison farms for women with proper opportunities to be trained in farming, in dairy and domestic work and in the raising of vegetables, fruit and poultry; (5) Provincial Government segregation and care of feeble-minded persons and medical inspection of school children throughout the Province; (6) the right of women to hold homesteads and to vote on the same conditions as men and to serve as magistrates and on juries; (7) the employment of female physicians in connection with certain kinds of criminal cases and female policemen in regard to immoral conditions and regulation in cities.

Dec. 8.—The Canadian Suffrage Association issues a statement in Toronto that it represents, through the National Council of Women and the W.C.T.U. Associations, over 1,000,000 Canadian women who desire the franchise.

Dec. 12.—Mrs. Pankhurst addresses a mass-meeting in Toronto and is the guest of a Woman's Suffrage Association banquet at which an address is presented to Dr. Augusta Stowe-Gullen, the pioneer woman in Canadian medicine, school board work, and suffrage advocacy.

Dec. 13.—A Civic Reception and Address is tendered at Victoria, B.C., to Miss Agnes Deans Cameron, the Canadian traveller in the far North and voluminous writer upon Canadian development.

Dec. 16.—Mrs. Pankhurst, the English Suffragette, addresses an enthusiastic audience of 2,000 people in Winnipeg. She defines the British situation: "Women are now in a state of civil war with the Government. They are withholding their consent from a Government which has been imposed on them without their consent. Government rests on the consent of the governed. Voters can withhold their consent by voting against the established form of government. But those who are without the vote are forced to other ways much more clumsy and objectionable."

Dec. 20.—Mrs. Pankhurst addresses in Victoria, B.C., the Political Equality League, the Women's Canadian Club and the Alexandra Club; at Montreal (Dec 11) she addressed a large, attentive and eventually interested audience where she advised the women of Canada not to let their new Premier "remain in such a comfortable state" as his predecessor; she spoke at Toronto on Dec. 12th and at Port Arthur and Fort William on the 15th.

Dec. 23.—Edwina Lloyd writes the Toronto *Mail* protesting against Women Suffrage on the ground that it would introduce emotionalism and impulse into government; indefinitely increase ecclesiastical power; bring social ideas and pressure into legal administration; promote too sudden and drastic changes in public affairs; soften too greatly the military and criminal codes.

Dec. 31.—The following are the Presidents of some of the chief Women's organizations in Canada—apart from the Women's Canadian Clubs which are given elsewhere—elected and acting, during 1911:

National Council of Women of Canada	Mrs. F. H. Torrington	Toronto.
Canadian Suffrage Association	Mrs. F. McDonald Denison	Toronto.
Women's Canadian Historical Society, Toronto	Mrs. Forsyth Grant	Toronto.
Women's Canadian Historical Society, Ottawa	Mrs. Thomas Ahearn	Ottawa.
Montreal Local Council of Women	Miss Carrie Derrick	Montreal.
Toronto Local Council of Women	Mrs. A. M. Huestis	Toronto.
Montreal Women's Club	Mrs. N. C. Smillie	Montreal.
Dominion Women's Christian Temperance Union	Mrs. Gordon Wright	London.
Toronto Business Women's Club	Miss Mary Lean	Toronto.
Canadian Women's Press Club	Mrs. Nellie C. McClung	Winnipeg.
Canadian Women's Press Club	Miss Marjorie MacMurchy	Toronto.
British Columbia Political Equality League	Mrs. Gordon Grant	Victoria.
Toronto Suffrage Association	Mrs. Margaret Gordon	Toronto.
Imperial Order Daughters of the Empire	Mrs. A. E. Gooderham	Toronto.
Victorian Order of Nurses	Miss Mackenzie (Supt.)	Ottawa.

IV.—CANADIAN RESOURCES AND DEVELOPMENT

General Conditions and Progress during the Year

There could be no question as to the bounding development of Canada in 1911. British money was still pouring into the country (about $200,000,000 a year) although there were some signs of reaction; United States money was brought in by agricultural immigrants in large quantities although the Elections caused a check in the establishment of new industrial enterprises by American interests; the Census showed an increase of 1,800,000 in population since 1901 though this was somewhat out of proportion to the greater growth of wealth, production and financial activities; the circulation of Dominion notes increased by 10 million dollars and of Bank notes by 9 millions over 1910; the deposits in Chartered Banks grew by $77,000,000 and the National revenue by $16,000,000; the tonnage of vessels arriving and departing increased 12,000,000 and the total trade by $76,000,000; the Bank clearing-house returns increased over $800,000,000 and the money spent on new buildings in 13 Western towns by $22,000,000; the number of new incorporated Companies in 1910-11 was 544 with a capitalization of $458,415,800 and an increased capital for other Companies of $24,715,600.

In the West the prices of land went up steadily—in many cases too much so as speculation came in to exact its undue profits from legitimate and stable growth. Hudson's Bay lands had grown from an average of $2.93 in 1893 to $8.78 in 1908; in 1910 the price was $13.36 and in 1911 $14.00. The C.P.R. lands, latterly, remained almost unchanged in price. In the neighbourhood of growing villages and small towns, where the expectation of being cities in a few years was an assured element in Western optimism, there was no limit to the prices of land and in even larger places such as Winnipeg, Saskatoon, Regina, Calgary and Edmonton the sale of "suburban properties" went to an extreme which was regrettable although the ill effects were not yet visible. The receipt by 1,300,000 people of $175,000,000 for one year's crop and annual product; the fact of Winnipeg having become the grain-distributing centre of the Continent; the continued construction of two transcontinental railways through its territory with new branches also and C.P.R. extensions into many parts of the country at a cost of about $50,000,000 a year; the fact that only 7 per cent. of the available land was yet taken up with, on Jan. 1st, 1910, 43,355,311 acres still available for homesteading; the continued influx of money for investment (about $30,-

000,000 in the year) by British and Canadian Insurance, Loan, Trust and other financial concerns to an estimated total at the end of 1911 of $200,000,000; the coming of rich settlers from the United States with a total wealth estimated by Arthur J. Stringer in *Hampton's Magazine* for February at $1,000,000,000 in nine years, and of British individual investors such as the Duke of Sutherland; these were some elements of Western prosperity during this period. This growth was the cause of still greater Western optimism. T. K. Dickinson of the Montreal *Herald* (Winnipeg, Oct. 14) after traversing the country declared that in 1915 the West would produce 300,000,000 bushels of wheat while Senator McCumber at Washington (June 14) estimated that the Canadian Western Provinces would some day produce 4,200,000,000 bushels of wheat or 6 times the average yearly production of the United States. A more staid and sober picture was that of Charles F. Roland, Industrial Commissioner of Winnipeg, in a publication issued at the close of the year:

> **Taking the average of increase in the population of the three Provinces from immigration and other sources for the period of five years just preceding the year 1908, as a working basis, the resultant figures show that in ten years, in 1918, the same country that now has less than two millions of people, will have more than 10,000,000. Figuring from the average increase in land under cultivation for the past seven years there will be as much as 50,000,000 acres cultivated of that great block of land which extends for 1,000 miles east and west between the Rocky Mountains and the Great Lakes, and north 400 miles from the United States boundary. 18 bushels of wheat to the acre is considerably less than the average crop product of the rich prairie soil of this Western Canadian country; and oats and barley produce enormous crops with flax reliable and reasonably productive. Figured upon the basis of wheat alone the product of 50,000,000 acres of land would be the vast amount of 900,000,000 bushels. The harvest of this crop, absolutely certain to be raised on the wheat-fields of Western Canada within the next 20 years at the outside will take no less than 625,000 harvest hands whose pay for the gathering of the crop will count up the tidy sum of $30,000,000. Twenty thousand trains of 40 cars each (the average wheat train has 30 cars) will be required to move the crop and at an average selling price of 80 cents per bushel this crop will make a return to the country from which it comes of $750,000,000.**

Into this general condition of prosperity there entered some serious conditions—one was the over-speculation in Western lands; another was the misuse of the soil by steady cropping in grain and the absence in the West of mixed farming; a general difficulty was the increased cost of living throughout Canada. An obvious one, also, which was much discussed in the Elections, was the necessity of conserving Natural resources—something essential no matter how youthful, rich, resourceful and progressive a country might be. To meet this latter condition the Commission on Conservation had been created by the Laurier Government in 1909 with Hon. Clifford Sifton as Chairman and James White as Secretary. Three very valuable Reports had been issued deal-

ing with Canadian resources and how best to conserve and guard them. Composed of representative authorities on various subjects the Commission had been divided into Committees which, during this brief period, had done much good. To ascertain the state of agriculture, the Committee on Lands had, with the assistance of the Agricultural Colleges and the Deputy-Ministers of Agriculture, conducted a survey of 100 representative farms in each Province and the investigation showed that only about nine per cent. of the farmers of Canada followed any effective and intelligent system of crop rotation. It was estimated that the quantity of field crops in Canada could be doubled in 20 years by the adoption of measures which could be easily taken.

As to Forestry attention was concentrated upon the prevention of forest fires. Investigations conducted in the field by skilled woodsmen showed in 1910 that about 34 per cent. of all forest fires, for which causes could be assigned, were due to Railway locomotives. Legislation was enacted during 1911 compelling Railways to maintain an efficient and well-equipped patrol; 14,000 square miles in the Eastern slope of the Rocky Mountains had already been reserved by the Federal Government upon the Commission's advice in order to regulate the water supply of the Prairie Provinces; certain lumbering rights were extended and the Algonquin National Park enlarged by the Ontario Government; New Brunswick prohibited the export of raw pulp-wood from its Crown lands. Information as to mineral resources and policy, mining accidents and their causes, mining methods in British Columbia and the West, was also collected. In the 1911 volume published by the Commission much of this work was described and an analysis, also, given of the Dominion and Provincial laws as to Game and Fisheries. Public Health and Waterpowers were closely studied and the latter treated in a valuable volume.

The annual meeting of the Commission for 1911 was opened at Quebec on Jan. 17th with an elaborate speech by Mr. Sifton. He urged that water-power and electrical franchises be limited to a period of 20 years and that there should be a General Council of Health established representing the whole Dominion. Speaking to the Montreal Canadian Club on Jan. 9th Mr. Sifton had also very fully explained his views and Conservation policy: "If, fifty years from now, we are to have developed in our land the arts and sciences and not the slum, then action—and prompt and vigorous action—is necessary." As to the necessity of Forestry in the West he was emphatic. The Provinces of Alberta and Saskatchewan were, he asserted, dependent for their fertility on the streams that flowed through them and these in turn looked to the forests in the Mountains for their sources. "Unless active steps are taken to assure the permanence of these waterways the eastern slopes of the Rockies will be bleak and blackened within

a few generations and the Provinces, now the pride of an Empire, a wasted wilderness." Regarding the Long Sault Power scheme he was equally vigorous and assured his hearers that no such legislation would be passed if the business men of Montreal stood firm against handing over the natural gifts of the great St. Lawrence to the United States. "The interests of navigation are paramount on the St. Lawrence. Let local interests bow to the general good of the Dominion." As to natural conditions he was explicit:

> Our natural resources are not illimitable. No matter how great the natural resources of any country may be, when a large and active population sets itself to develop them it very soon becomes evident that they are far from being illimitable. At the same time our natural resources are not yet seriously depleted. We have in our Timber wealth sufficient for ourselves so long as it is properly handled and properly conserved. Our Fisheries are depleted in some respects but may yet, by thorough and scientific methods of culture, be restored to their former prolific condition. Our Mines, as we know, are hardly yet touched. And the fertility of our farming lands has not as yet been seriously affected. In fact, we have under-estimated our resources in some respects. Of our great north lands very little is known, but we know that there are vast fertile expanses as yet untouched. Far-off Ungava contains very great natural resources. That territory known as the mythical clay-belt of Northern Ontario, north of the heights of land, alone contains from 15 to 20 millions of acres of fertile lands. The lands along the route of the Hudson's Bay Railway, containing a tract almost as large in area as the whole of the cultivated area of Belgium which sustains in comfort a population of over 5½ millions, is immensely fertile. The great district between Hudson's Bay and the Peace River Valley is far from being a howling wilderness; and the Peace River Valley itself and the northern parts of British Columbia have as yet hardly been touched.

Agricultural Production and Conditions in 1911

In 1908 there was estimated to be $1,761,000,000 invested in Canadian farming operations; there could not have been less than $2,000,000,000 in 1911 which supported, more or less directly, about one-half the population of the country. The grain crop went through some unusual experiences in the West during this year. The official estimate of area (Census and Statistics Department) in all field crops, for the whole of Canada, was 32,051,500 acres as compared with 30,554,200 in 1910, and the estimated production (September Bulletin) of spring wheat was 186,928,928,000 bushels, of oats 368,153,000 bushels, and of barley 51,559,000 bushels, as compared with the actual yield in 1910 of 105,041,000, 283,247,000 and 39,388,000 bushels, respectively. The actual figures for 1911 were as follows:

Field Crops.	Area in Acres.	Yield per Acre. (Bush.)	Total Yield. (Bush.)	Total Value.
Fall Wheat	1,172,119	22·19	26,014,000	$21,461,000
Spring Wheat	9,201,839	20·63	189,837,300	117,106,000
Oats	9,219,920	37·76	348,187,600	126,812,000
Barley	1,404,352	28·94	40,641,000	23,004,000
Rye	142,571	18·89	2,694,400	2,086,000
Peas	287,135	15·80	4,536,100	4,647,700
Buckwheat	359,367	22·69	8,155,500	5,232,000
Mixed Grains	559,991	29·78	16,679,000	10,127,000

Field Crops.	Area in Acres.	Yield per Acre. (Bush.)	Total Yield. (Bush.)	Total Value.
Flax	1,131,586	11·41	12,921,000	19,467,000
Beans	60,630	19·06	1,155,600	2,219,000
Corn for husking	316,104	59·39	18,772,700	12,171,000
Potatoes	459,097	143·82	66,023,000	39,358,000
Turnips	227,141	373·92	84,933,000	19,541,000
		tons	tons	
Hay and Clover	7,903,242	1·61	12,694,000	146,596,000
Fodder Corn	285,321	9·92	2,577,200	12,469,000
Sugar Beets	20,878	8·66	177,000	1,165,000
Alfalfa	101,781	2·24	227,900	2,249,000

There was widespread interest felt in Western crop conditions. The usual careful estimate for the three Provinces was made by the Winnipeg *Free Press* on Sept. 4th with a total for Manitoba, Alberta and Saskatchewan of 178,650,000 bushels of wheat, 223,-550,000 bushels of oats, 33,300,000 bushels of barley and 7,820,-000 bushels of flax. Peculiar conditions had prevailed which were described as follows: "The seed-bed was generally dry at the time the grain was planted. The rains came too early in May and caused surface germination, and the growth was luxuriant but without the strong root which is so essential to a hardy crop. There was a very wet June with light frosts during the last week which affected much of the wheat just coming out of the shot blade. July was wet and abnormally cool with frost occurring in a number of places on the nights of the 16th and 17th and in a few places on the night of the 21st, when a very large percentage of the crop was in blossom. There was a total absence of the hot weather so essential to maturing the crop. There was a slight frost on the night of the 9th of August at a number of points, particularly in Northern Alberta, and on the 25th, 26th and 27th August there were frosts fairly general over the entire West ranging from one to nine degrees."

Had it not been for these exceptional vicissitudes the estimate for wheat would have been 217,000,000 bushels according to this journal. On Oct. 21st the same paper found it necessary to revise its estimate to 169,725,000 bushels of wheat and 185,570,-000 bushels of oats with slight differences in barley and flax. Then came threshing inconveniences owing to heavy snowfalls in November and further fears as to production. To the surprise of everyone concerned the actual total (Dominion figures) was 194,083,000 bushels of wheat, 212,819,000 of oats, 24,042,000 bushels of barley and 12,784,000 bushels of flax. Naturally, an increase of 50,000,000 bushels in the total grain production of the West over an estimate which was unofficial but very generally accepted caused further inconvenience in transportation and great difficulty came later on to many farmers through inability to reach their market—especially in Saskatchewan.

The special demand was met in some measure as the number of cars inspected at Winnipeg between July 1st and November 21st indicated. They totalled 51,657 as compared with 45,905

in 1910. The total receipts at Fort William and Port Arthur Elevators from Sept. 1, 1911, to Dec. 10—end of the season of navigation—were 62,898,710 bushels of all grains and 50,649,722 bushels of wheat. The shipments thence in that period included 55,473,062 bushels by the Lake route and 1,057,859 by rail. The total left in the hands of the Western farmers varied largely in the estimates—one unofficial statement being 62,000,000 bushels at the end of December as against 13,000,000 on Dec. 31, 1910. Meanwhile the high price received for the crop—especially in the lower grades of wheat in which climatic conditions had occasioned a very large increase—afforded some compensation. In this respect the total values of Canada's field crop as a whole showed a decided increase; the figures being in 1908 $432,534,000, in 1909 $532,992,000, in 1910 $507,185,000, in 1911 $565,712,000 or a four-years total of over 2,000 millions!

With the above-noted exception in wheat the average price all over Canada was lower than in 1909 or 1910, a reduction in the two years from 84 to 71 cents. Oats, however, were higher and so was barley, rye, pease, buckwheat, mixed grains, beans, potatoes, clover, and sugar beets. Flax was nearly 50 cents a bushel lower than in 1910. The yield of the chief grains and products was larger per acre than in 1910 but less than in 1909. In the three Western Provinces the estimated value of the grain crop varied considerably—very conservative figures being those of the *Monetary Times* (Jan. 20, 1912) which gave the total value of wheat, oats, barley and flax at $75,384,272 as compared with $58,590,337 in 1910 and of live animals sold, potatoes, hay and roots, Dairy products and Manitoba poultry, as totalling $101,620,716 compared with $80,202,947 in the previous year. Meanwhile agricultural interests in another direction had not been so progressive. In this a great problem of the West was involved and the importance of more mixed farming emphasized. J. G. Rutherford, C.M.G., Dominion Live Stock Commissioner, described the situation in his 1911 Report as follows:

The Canadian export trade in Live-stock and in Meats is rapidly decreasing in volume and bids fair to shortly altogether disappear. Not only is this the case, but imports of meat are increasing from day to day from the United States, from the Argentine and from far-away Australia and New Zealand. For a number of years back mutton from the Antipodes has been competing in the British Columbia markets with that from Washington and Oregon—an occasional carload being shipped as far east as Alberta. During the past winter, however, frozen mutton, as well as frozen rabbits from Australia have been landed at our Atlantic seaports and sold to Canadian consumers in Toronto and Montreal. Canned meats, principally beef, from the Argentine are also being imported, the trade is said to be profitable and to show promise of rapid extension—shipments having been made from the East as far as Regina. Recently, also, there has sprung up an important trade in American sheep and lambs, very considerable shipments having been made from Buffalo and Chicago to Toronto and Hamilton.

The official figures of Live-stock on Canadian farms are, of course, large, as they always will be for home supply, but they are not increasing and are evidently not equal to even the home demand of an ever-growing population—although, curiously enough, values are increasing. The total for all Live-stock on the farms was $558,789,000 in 1909 and $593,768,000 in 1910. On June 30, 1911, there were 2,266,400 horses, 2,876,600 milch-cows, 4,210,000 other cattle, 2,389,300 sheep and 2,792,200 swine in the Dominion as a whole. The total number of all the animals mentioned was 14,534,500 in 1911 as compared with 15,867,009 in 1908. From the Port of Montreal in 1911 only 45,956 cattle and 3,825 sheep were shipped compared with 128,161 cattle and 10,791 sheep in 1906. For similar reasons of limited production and increased home prices the export, also, of butter in 1911 (year ending Mch. 31) was only $744,288 as against $1,010,274 in 1910; the export of fruit was $1,756,884 in value (and imports of $430,505) as compared with $4,417,926 exported in 1910; the export of cheese had ceased to grow and was $20,739,507 as against $21,607,692 in 1910 and $25,975,000 in 1904.

Agricultural incidents of the year included the official estimate of the Dairy Commissioner that despite unfavourable conditions of relative progress the annual returns of milk and its products were $100,000,000 of which $80,000,000 worth was consumed in the home market; the fact that in 1910 there were 3,628 butter and cheese factories in Canada producing 59,875,097 pounds valued at $15,682,564 or $8,441,592 more than in 1900 and that the total production of butter, cheese and condensed milk in Canada was $39,143,089—nearly one-half being consumed in the country; the prize of $1,000 in gold offered by Sir Thomas Shaughnessy of the C.P.R. for the best 100 pounds of hard-red wheat grown in America and shown at the New York Land Show on Nov. 4th and its award by United States agricultural authorities to Seager Wheeler of Rosthern, Sask., with W. I. Glass of Macleod, Alta., as the alternative; the winning by Asabel Smith of British Columbia of the $1,000 silver trophy, for the best potatoes, offered upon the same occasion.

During the fiscal year (Mch. 31, 1911) there were 44,479 homestead entries in the West covering 7,166,640 acres and representing 107,884 settlers. At the close of 1911 there were 1,909 Grain elevators in Canada with a capacity of 106,462,700 bushels as compared with a capacity of 94,266,000 in 1910; in July the Grain Growers' Grain Co. of Winnipeg, representing the Grain Growers Associations of the West and over 11,000 farmers as shareholders, reported the direct exportation to British markets of 10,000,000 bushels, grain profits for the year of $70,000, a dividend of 10 per cent. and $100,000 placed in the reserve account. It may be noted here that while United States production of wheat had been almost stationary since 1902—670,000,000

bushels in that year and 664,000,000 in 1911—the increase in Canada was from 97,000,000 to 184,000,000 bushels or nearly double and that British figures showed over the five-year period, 1886-90, an average of 70 million bushels a year coming from the United States and 3 millions from Canada as against an average of 47 millions from Canada and also from the United States in 1906-10. Taking recent years Britain received from the United States in 1901 125 million bushels and in 1910 36 millions while from Canada she obtained 12 millions and 55 millions, respectively.

The Dominion Council of Agriculture, the central body of the organized farmers of Canada, met at Regina on Dec. 29, 1911. Only Western Provincial representatives were present and the following Resolutions were passed: (1) Expressing satisfaction with the Dominion Government's intention to deal with the Terminal Elevator question and recommending acquisition by lease or purchase of existing elevators with operation by an independent Commission acceptable to the Grain Growers Association and responsible only to Parliament; (2) suggesting Mr. R. S. Lake for the vacancy on the Railway Commission and endorsing the principle of Co-operative Societies; (3) urging a general reduction of the Tariff; (4) declaring an unjust discrimination in railway freight rates to exist and urging the Railway Commission to investigate existing conditions. A final Resolution pointed out that " through the late harvest and abnormal weather conditions there is a large quantity of tough wheat of good milling quality, as well as a large amount of low-grade wheat and coarse grain in Manitoba, Saskatchewan and Alberta that must, in order to realize anything, be put into proper condition for storage before warm weather sets in " and that the Terminal Elevators at Fort William and Port Arthur had not sufficient capacity to care for this grain or the Railways sufficient facilities to move it. To meet the situation they urged the Dominion Government and the Governments of the Prairie Provinces to use their utmost influence with the Canadian Railways operating in Western Canada " to immediately put into effect from interior points in the Provinces mentioned, to Minneapolis and Duluth, the freight rates on bulk grain now prevailing from Saskatchewan points to Fort William and Port Arthur, and to make the best arrangements possible with the railways of the United States for the use of their cars for the immediate shipment of grain from interior Western Canadian points to Minneapolis and Duluth."

Canadian Mining Interests and Production

There was a slight reduction in the total of Canada's Mineral product during 1911—the figures according to the preliminary official Report being $102,291,686 as compared with $106,823,623 in 1910.* The steady yearly increase from a total of

* NOTE.—Details of Provincial production are given in the respective Provincial records.

$69,078,999 in 1905 had not been maintained but the output was, in reality, large and the progress substantial in view of the long-continued strike of the Coal miners in Alberta and British Columbia and the consequent closing down for a time of the Granby smelter. As a matter of fact the decrease was $4,500,000 or just the amount of the reduced production of coal. Gold, pig-iron (largely from imported ore), asbestos, natural gas, cement, lime and clay products all showed considerable increases. The refined products of Canadian smelters and refineries in 1911 totalled 15,270 ounces of gold, 17,711,077 pounds of silver, and 23,525,-050 pounds of lead; the total of all ores treated was 2,192,727 tons; in the Sudbury District nickel-copper ores were treated to the extent of 1,281,967 tons of 2,000 pounds each with a spot value for matte shipped of $4,945,592 with exports of 5,023,393 pounds to Great Britain and 27,596,578 pounds to the United States. In Asbestos the product was a little less than in 1910 although the sales were greater despite reduced prices—100,893 tons valued at $2,922,062 as against 77,508 tons valued at $2,555,-974 in 1910. Of the exports of Asbestos, totalling $2,067,259, the greater part or $1,732,541 went to the United States. There were imports of $319,815. The total Canadian mineral product of 1909-10-11 was as follows:

Metallic—	1909.	1910.	*1911.
Copper	$6,814,754	$7,094,094	$6,911,831
Gold	9,382,230	10,205,835	9,762,096
Pig Iron	2,222,215	11,245,622	12,306,860
Lead	1,692,139	1,216,249	818,672
Nickel	9,461,877	11,181,310	10,229,623
Silver	14,178,504	17,580,455	17,452,128
Sundries	405,122	510,081	409,674
	$44,156,841	$59,033,646	$57,890,884
Less pig iron credited to imported ores		9,594,773	11,693,456
		$49,438,873	$46,197,428
Asbestos	$2,301,775	$2,573,603	$2,943,107
Coal	24,781,236	30,909,779	26,378,477
Gypsum	809,632	934,446	978,863
Natural Gas	1,207,029	1,346,471	1,820,923
Petroleum	559,604	388,550	357,073
Salt	415,219	409,624	443,004
Cement	5,345,802	6,412,215	7,571,299
Clay Products	6,450,840	7,629,956	8,317,709
Lime	1,132,756	1,137,079	1,493,119
Building Stone	3,127,135	3,650,019	3,680,371
Sundries	1,543,572	1,993,008	2,110,313
	$91,831,441	$106,823,623	$102,291,686

In pig-iron and steel production Canada during this and preceding years was steadily forging ahead. Between 1892 and 1902 the production of pig-iron grew from $366,192 in value to $4,243,-541; in 1909 it had doubled and was $9,581,864. The product of

* NOTE.—The figures for 1911 are subject to revision, but there is rarely any change of importance made.

steel ingots and castings was 203,881 short tons in 1902 and 754,719 tons in 1909. During 1909 1,235,000 tons of imported iron-ore were used in Canadian furnaces while the importation of pig-iron was $873,932 in value with an increase in 1910 to $2,127,135. Coming to 1911 the production of pig-iron in Canadian blast furnaces was 917,535 tons valued at $12,306,860; the amount of Canadian ore used was 67,434 tons and of imported ore 1,628,368 tons; the number of men employed was 1,778 and the wages paid $1,097,355; the production of steel ingots and castings was 876,215 tons compared with 822,284 tons in 1910. The imports of pig-iron in 1911 were $2,610,989 in value and of fero-manganese $429,465. The collateral or basic industry of coal showed a reduction in 1911 for reasons already indicated. Between 1874 and 1898 it had slowly grown from $1,763,423 to $8,224,288; in 1906 it was $19,732,019, in 1909 $25,781,236 and in 1910 $30,909,779. The drop to $26,378,477 in 1911 was, therefore, accidental. The total production of coke was 847,402 tons valued at $2,340,674 as against 902,715 worth $3,462,872 in 1910. The imports of bituminous coal in 1911 were 7,150,138 tons valued at $14,240,510, of bituminous slack 1,431,553 tons worth $1,968,066, of anthracite 3,465,774 tons valued at $15,750,340 and of coke 763,114 tons valued at $1,887,493. The exports of coal in 1911 were 1,500,639 tons valued at $4,357,074; in coke the figures were 59,943 tons valued at $255,981.

The possibilities in this connection were enormous. According to a Mines Department volume (issued early in 1912) the supposed Coal resources of Canada were widely distributed. In Nova Scotia and New Brunswick there were estimated to be 3,500,000,000 tons of bituminous coal; in Manitoba, Saskatchewan, Alberta and the Eastern Rockies the estimate was 400,000,000 tons of anthracite, 30,000,000,000 tons of bituminous and 100,000,000,000 tons of sub-bituminous and lignite; in British Columbia and the Yukon there were estimated to be 61,000,000 tons of anthracite, 40,000,000,000 tons of bituminous and 500,000,000 tons of lignite; in the Arctic-Mackenzie basin there were said to be 490,000,000 tons of lignite only. In addition to the above there were certain small fields, containing some millions of tons of lignitic peat and others of doubtful extent and value, in the far north. As to the estimates for Nova Scotia and New Brunswick and of anthracite in the Western Provinces it was pointed out that these were of mineable coal regions already explored with some degree of accuracy.

Another important mineral development of recent years was in cement, clay products, and other structural material. The production of cement grew very slowly up to 1901 when it was only $660,030 in value; in 1906 the figures were $3,170,859 and in 1910 $6,412,215; in 1911 the increase was over $1,000,000. The

imports of the latter year totalled $468,046 and the exports were $12,914. There were at this time 15 Cement manufacturing companies in Canada besides the large Canada Cement Co., Ltd. In clay products the figures of growth had been considerable, as follows: 1899 $2,988,099, 1903 $4,034,289, 1910 $7,629,956, and in 1911 $8,317,709. The imports had doubled between 1903 and 1910—from $1,740,809 to $3,418,844. In other structural materials such as lime, sand-lime, brick, sand and gravels (exports), shale and stone the increase between 1906 and 1910 was from $3,287,034 to $5,585,421. In 1911 the total was $6,014,089. It may be added that during the year the total export of Canadian minerals—nearly all going to the United States for refining and manufacturing purposes—was $42,787,561 as compared with $24,580,266 in 1900 and half that amount in 1897.

Something also must be said of Peat as to which varied investigations were carried on by the Department of Mines, by the Canadian Peat Society of which Dr. J. McWilliam of London was President, and by Dr. Eugene Haanel, Director of Mines at Ottawa. According to Dr. Haanel, in an address at Toronto on Feb. 6: "It has been estimated that the known peat bogs of Manitoba, Ontario, Quebec and New Brunswick cover, in the more settled portions of those Provinces, an area of 12,000 square miles, with an average depth of 6 feet. This is probably but a small fraction of the actual amount of this valuable fuel asset in existence in those Provinces. One square mile of peat-bog with an average depth of 6 feet will produce 774,400 tons of peat fuel, containing 25 per cent. of moisture. The 12,000 square miles will, therefore, contain 9,292,800,000 tons of peat, having a fuel value equivalent to 5,306,074,000 tons of good coal. Such an amount of peat would supply fuel to 5,306,074 families for 100 years—assuming each family to consume an amount of fuel per annum equivalent in heating value to 10 tons of the best anthracite."

The experiments in Peat fuel sold from the Government plant at Alfred, Ont., at $3.25 per ton, were said to have been most successful and the fuel very popular. Its qualities were described as follows: It burns with a clear, luminous flame, without poking; it does not eject into the room burning particles and does not, therefore, require a wire netting to protect floor; it leaves no unburnt material and it does not soil the hands; it does not, as cannel coal, cover the back of the grate with a thick layer of soot; its chief disadvantage is its greater bulk. The work of the Ottawa Geological Survey continued during 1911 to cover the whole of Canada and its technical staff was everywhere examining, surveying, describing, the dormant resources of the Dominion. The Department of Mines also published a valuable series of monographs dealing with Coal and Coke, Cement, and Iron and Steel, written by John McLeish.

Canadian Forests, Fisheries and Water-Powers

According to H. R. Macmillan, of the Dominion Forestry Service (*Canadian Engineer* of June 29, 1911), there still remained in Canada, despite fires and exploitation, about 120,000,000,000 cubic feet of merchantable timber or about one-quarter of the quantity available for manufacture in the United States. "It is not nearly enough for our future needs in Canada, unless we adopt an advanced policy of forest administration that will enable us to treat our forests less like a mine and more like a crop." As a result of Canadian Government policy—Dominion and Provincial—159,646,800 acres had been set aside in Forest Reserves. These large areas, however, were not yet utilized or treated scientifically—partly because of lack of money and partly for lack of expert labour. The Dominion Forestry Department since its institution in 1901—with Elihu Stewart as Superintendent and R. H. Campbell after 1907—had done what was possible with a grant commencing at $2,500 and totalling $255,000 in 1911-12 and in the past two years a succession of valuable pamphlets had been issued dealing with various elements of production and compiled by A. Knechtel, A. H. D. Ross, J. R. Dickson, G. A. Gutches and R. H. Campbell—the majority being prepared, however, by H. R. Macmillan. In the article by this specialist, quoted above, he estimated that with the Reserves under proper management and treatment—such as that attained in Germany where 64 per cent. of the forest area of 34,000,000 acres was under a more intensive management than most Canadian farms—all that would be needed for future consumption in Canada would be 3,000,000 acres of reserved forest product for every 1,000,000 people. Meanwhile, Canadian forests, largely through fire, were being steadily depleted while the timber demand at the same time increased. The latest available detailed figures of the timber-cut in Canada (1909) are as follows:

Product.	Cubic Feet.	Value.
Fuel	900,000,000	$25,000,000
Lumber, lath and shingles	657,252,913	67,118,193
Mining timbers, posts, poles, rails, piles and cooperage	150,000,000	4,500,000
Pulpwood	138,393,580	9,216,739
Railway ties	85,069,446	5,210,490
Square timber	1,657,680	991,491
Total	1,932,378,619	$112,036,913

Of actual consumption in 1910 there were 1,565,682 poles used at a valuation of $2,087,748; there were 52,848,000 linear feet of round mining timber consumed worth $523,339 and 22,305,000 feet of sawn mining timber worth $303,998; the number of cross-ties used was 9,213,962 costing $3,535,628; the total lumber cut of the year was 4,901,649,000 feet B.M. valued at $77,503,187. The wood-using industries of Canada were officially stated to have used timber as follows in 1910: 119 furniture and car manu-

facturers, 77,047,000 feet B.M. of Canadian timber costing $1,604,003 and 40,846,000 feet, imported, at a cost of $1,383,-207; 162 manufacturers of agricultural implements and vehicles, 49,964,000 feet, Canadian, at a cost of $1,230,071, and 26,510,000 imported, at a cost of $1,283,194. The value of the lumber at the saw-mills in Canada averaged $15.81 per 1,000 feet; its cost to Furniture industries averaged $20.82 and to agricultural implement makers $24.64.

As to Pulpwood there were 51 mills reporting to the Department in 1910 using and manufacturing 598,487 cords valued at $3,585,154. There were exported 943,141 cords in a raw state valued at $6,210,042. If this latter product had been reduced to pulp in Canada it would have required 80 more mills and much additional labour to do it. As it was, 58 of the 253 pulp mills of the United States ran for the year, employed help, and paid profits, on the raw product from Canada. The average price of lumber in Canada during 1910 was 60 cents per 1,000 feet less than in 1909 while the number of saw-mills increased 32·6 per cent. with 2,762 firms in 1910 operating nearly 3,000 mills and having an output of 1,086,707,000 board feet. The total number of shingles made in this year was 1,976,640,000, worth $3,557,211; the value of the laths produced was $1,943,544; the total value of all Canadian timber products was $83,989,197.

The Canadian Forestry Convention met at Quebec on Jan. 18-20, 1911, with Hon. W. C. Edwards in the chair and under the auspices of an Association having for its objects the exploration of the public domain, so that lands unsuitable for agriculture might be reserved for timber production; the preservation of the forests for their influence on climate, soil and water-supply; the promotion of judicious methods in dealing with forests and woodlands; tree-planting on the plains and on streets and highways with reforestration wherever advisable; the collection and dissemination of information bearing on the Forestry problem in general. H.E. Earl Grey opened the Convention and Sir Lomer Gouin addressed it briefly as did a number of other well-known men. R. H. Campbell, Dominion Superintendent of Forestry, defined the elements of Forest protection as (1) a permanent and settled location of the forest with definite boundaries and knowledge of conditions; (2) a permanent, adequate and qualified staff of men with knowledge of the science and practice of Forestry; (3) an efficient and sufficient fire-patrol with emphasis on the protection of young timber. Resolutions were passed (1) asking for amendment of the Dominion Railway Act so as to make Railways responsible for all damages that may occur through fires set by their locomotives; (2) expressing heartfelt satisfaction at the progress of public interest in Forestry and recommending that in all forests controlled either by the Dominion or by the Province, there should be a more systematic develop-

ment of forest protection by educated forest inspectors, fire rangers, fire lines, fire roads, telephone lines, etc., etc., and that as the value of the forests has increased there should be more adequate amounts spent for protection; (3) approving the proposed National highway from the Atlantic to the Pacific and recommending an increase in current Provincial, County and Municipal road grants. At a later meeting of this Association George Y. Chown, of Kingston, was elected President and John Hendry, of Vancouver, Vice-President.

The Fisheries of Canada have in recent years continued to increase in productiveness although some of the inland waters have commenced to show signs of depletion or a decreased catch, while the salmon, mackerel, oyster and shad industries appear to be somewhat on the down grade. Between 1870 and 1911 the total known product had been $800,000,000 in value; how much more was caught without official knowledge can only be guessed at but the quantity must have been very large. The resources, however, were those of a country which possesses probably the most extensive Fisheries in the world. The waters in and around Canada are said to contain the principal commercial food fishes in greater abundance than the waters of any other part of the world. Their remarkable fertility in this respect is shown by the fact that all the lobsters, herring, mackerel and sardines, nearly all the haddock and many of the cod, hake and pollock used in Canada are taken from within its territorial waters. The coast line of the Atlantic Provinces from the Bay of Fundy to the Straits of Belle Isle, and eliminating lesser bays and indentations, measures over 5,000 miles. This great stretch of coast has innumerable natural harbours and coves in many of which valuable fish are still taken in considerable quantities with little effort. On the Pacific coast the Province of British Columbia has a sea-washed shore of 7,000 miles and, within the limits of its territorial waters, there exist fish and mammals, according to Canada's Deputy Minister of Fisheries (A. Johnston), in greater abundance than anywhere else in the whole world.

In addition to this immense salt-water fishing area Canada has numerous lakes of no less than 220,000 square miles of fresh water, abundantly stocked with many species of excellent food fishes. Of this area the Great Lakes form only one-fifth. The value of the Fisheries in the year (Mch. 31) 1911 was $29,965,-433 or the highest on record, and of this total the sea contributed $26,122,596 and the inland waters $3,842,837. The principal fish caught were salmon, $7,205,871; cod, $5,921,248; lobsters, $3,784,099; herring, $2,278,842; halibut, $1,251,839; haddock, $1,218,759. Others over $100,000 in value were whitefish, trout, smelts, sardines, pickerel, hake, pollock, mackerel, pike, clams, oysters, alewives and eels. The industry thus employed included 1,680 vessels and 38,977 boats manned by 68,610 men with 24,978

persons employed in Canneries and fish-houses and a capital invested of $19,019,870. During 1910-11 $332,300 was spent by the Dominion authorities on Fish-breeding establishments and the usual $160,000 of fishing bounty was paid in the Atlantic Provinces and Quebec—a total since 1882 of $4,580,204. It may be added that recent estimates indicate $300,000,000 as the value of the world's fisheries product, so far as reported, with the United States first, Great Britain second, Russia third, France fourth, and Canada a close fifth. The Canadian exports of fish in 1911 were $14,975,849.

At the basis of much Canadian development in these days of industrial and electrical operation are the water powers of which the Dominion possesses about one-half of the world's available resources. Elaborate statistics were compiled in 1909-10 by the Commission on Conservation and a Report issued (L. G. Denis and A. V. White) which constitutes the one authoritative source of information on this subject. Canada's total water area is 125,000 square miles as compared with 52,360 square miles possessed by the United States; in Niagara Falls it has perhaps the most important single source of power in the world while from an economic standpoint the power stations established there have constituted the greatest hydro-electric power site in existence with $22,000,000 of an investment on the Canadian side and a power available to Canada of 1,352,500 horse-power; in the Ottawa River and its tributaries, in the St. Lawrence under an improved system of canalizing and storage, in the Northern lakes and rivers of Ontario, in the Lake St. John and many other regions of Quebec, in the Winnipeg and Bow and North Saskatchewan Rivers of the West, in the Victoria and Vancouver developments, on the Nelson and Fraser and other great waters of British Columbia, and in the vast stretches of the Yukon, Canada has untold possibilities of industrial expansion through the use of water power.

According to figures published by the Commission there was in 1910 a total of 1,016,521 horse-power under development of which 742,955 horse-power was used in electrical energy, 158,051 in the paper and pulp industry and 115,515 in miscellaneous energy. Too much boasting as to resources in this respect was deprecated in the Commission's report: "One of the chief dangers of such generalities is to create in the popular mind a feeling of unwarranted assurance that even though desirable water rights are being granted by a Government yet there is so much left that no apprehension need be entertained regarding the amount of power rights being parted with." At Niagara Falls, for instance, "franchises have already been partially completed for the development of the Canadian side of the River, of about 450,000 h.p. In other words, instead of 'millions' of horse power being available, as has sometimes been stated, it appears that about one-half,

and by all odds the better half, of Canada's usable share of Niagara Falls power has already been placed under private control."

One Power development concern was much before the public in 1910 and 1911—the Long Sault Development Co.—which was seeking authority at Washington and Ottawa to dam the St. Lawrence River near Cornwall and convert the Long Sault Rapids into an immense basin from which, it was believed, 500,000 horse-power might be obtained in electrical energy. At Massena, N.Y., the Company had already spent millions in development work and transferred, in a few years, a little American village into a thriving manufacturing centre with 30,000 h.p. in operation. It was claimed that similar results would follow on the Canadian side if the authority were given there which the Company already had from the State of New York. It was proposed to throw a series of five dams across the River, the last dam touching the Canadian shore just above the town of Cornwall. In these dams power-houses would be inserted which, combined, would produce a minimum of 500,000 horse-power—enough to serve expanding Massena, the whole of Northern New York, the towns of Cornwall and Brockville, all of eastern Ontario, and western Quebec, with lots left over. The work being only 90 miles from Montreal it was quite possible that its completion might have a marked effect on the local power and light situation in that city. The vital Canadian objection was to the giving of monopoly control over an international waterway to a Foreign concern which might create serious complications and affect Canada's rights in the St. Lawrence.

Industrial Conditions and Development during 1911

In 1881 there was invested in Canadian manufacturing industries $165,302,623 with an output of $309,676,068; in 1905 these had grown to $846,585,023 with an output of $706,446,578; in 1911, according to the Canadian Manufacturers Association, a conservative estimate would be $1,500,000,000 of money invested and a production of $1,000,000,000. At these periods, respectively, the amount paid out in industrial wages was $59,429,002, $162,155,578, and (estimated) $234,000,000. According to T. A. Russell, a well-known manufacturer, a Canadian industry employing 1,000 hands meant $2,428,350 expended during the first year in the community in which it was established while 435,000 artisans employed in Canada meant at least $1,000,000,000 to the Dominion. It was claimed by Mr. F. P. Megan in *Industrial Canada*, September, 1911, that Canada's manufacturing progress had been aided materially by the moderate protective tariff and the situation, from this standpoint, was indicated as follows:

That the tariff is not prohibitive is shown by the amount of imported goods which compete with the native product in almost every line. Manu-

factured goods to a value of $71,781,656 were imported last year. That it is not excessive is shown by the fact that the cost of manufactured goods has not increased materially to the consumer. The recent investigations of the Department of Labour proved that while the cost of farm produce had increased in 20 years by approximately 50 per cent., the cost of manufactured goods had increased in the same time by a mere 4 per cent. Those who will compare the stove of 20 years ago with the stove of to-day, or the sewing machines of the two periods, will wonder, not at the increase in cost, but at the marvellous advance in usefulness and efficiency. We are no longer a purely agricultural people. Our problems are those of the city as much as of the country. At a reasonable computation two millions are dependent upon manufacturing for their livelihood. Villages which were little more than a corner store and post office have become active centres of life, making possible the establishment of adequate educational institutions and the spread of the luxuries and the advantages which urban settlements alone develop. The latent wealth of the country has been brought forth to feed factories with raw material. Opportunities have been thrown open to those whose talents lie in skill of hands and sureness of judgment.

The growth of the textile, steel and cement industries, electrical machinery and motors, buttons, knitted goods and shoes, were all indicative of this development in 1911. On the other hand the value of United States manufactures during 1910 was over $20,000,000,000 or 2½ times the value of its agricultural products, and most of these industries were competitive so far as Canadian efforts, present or future, were concerned—provided the tariff were removed. This not being the case the past few years had seen $226,000,000 of American money invested in branch Canadian factories. The exports of manufactured products during 1911 showed continued progress. Between 1876 and that year the increase was 600 per cent.; between 1896 and 1906 the exact increase was from $9,365,384 to $24,561,112; in 1911—year ending Mch. 31—the exports totalled $35,283,118 with re-exports of foreign manufactured goods totalling $5,149,408 additional. There had been a manufacturing Census in 1905 and the following list of industries producing $1,000,000 and over per establishment will show large increases when the 1911 Census details are published:

Name or kind of Industry.	Establishments. No.	Value of Products.	Average Product per Establishment.
Agricultural implements	3	$5,177,211	$1,725,737
Car repairs	3	5,168,623	1,722,874
Cars and car works	3	12,177,947	4,059,316
Cottons	4	6,861,330	1,715,333
Electrical apparatus and supplies	3	7,408,805	2,469,602
Flouring and grist mill products	6	19,909,454	3,318,242
Log products	5	6,938,061	1,387,612
Slaughtering and meat packing	12	20,249,772	1,687,481
Smelting	9	26,097,361	2,899,707
Sugar, refined	4	17,152,260	4,288,065
All others	29	50,133,089	1,728,727
Total, 1905	81	$177,273,912	$2,188,567
Total, 1900	39	71,051,834	1,821,242

In Western Canada there was continuous expansion in this connection between 1905—when there were only 554 industries

employing 13,822 persons and commanding an investment of $37,000,000—and 1911. There was ample room for such growth and a writer in the Toronto *Globe* on Jan. 1, 1912, put the situation as follows: "In many lines manufactured goods from the United States are filling the Western market. For instance, it is known that school desks at the rate of 100,000 per year enter the Canadian West from Michigan. Hardware and implements of different kinds find their way to the Western consumer mainly from the United States. Other articles are supplied in large quantities from the same source." In Milling much progress was made and at the close of 1911 the Ogilvies and the Saskatchewan Flour Mills Co. in the West and 4 Milling Companies in the East were preparing to build additional plants. In 1910 there had been a trebling of Canada's export of flour over that of 1907 and the process continued in 1911 while in the same period United States exports of flour decreased by 4,000,000 barrels. Illustrative of this prosperity was the Lake of the Woods Milling Co. which had profits in 1911 of $412,153 and a total in the eight years, 1904-11, of $3,874,643 with a capital stock and bonds totalling $4,600,000 and a surplus account of $857,457; the statement of the Ogilvie Flour Mills Co., Ltd., showing net profits of $481,309 and a total in five years of $2,881,446, real estate, water powers, mill plants, etc., in hand valued at $4,283,489, and a capital stock of $4,500,000. At Port Colborne, on Nov. 18, the splendid new mills of the Maple Leaf Milling Co. were opened with a capacity of 9,000 barrels per day and at a cost of $1,000,000. Toward the close of the year general milling conditions were not as favourable as they had been.

The demand for Canadian iron and steel in 1911 was very heavy, and the expansion of plants general throughout Canada. An estimated $25,000,000 of additional capital had been put into the industry in the past few years and the total was about $100,000,000. The progress of production was marked although the bounties of $1,138,748 (year ending Mch. 31) had ceased on Dec. 31, 1910, with the exception of that on rolled round wire-rods which was extended one year. Meanwhile the competition of the great United States Steel Trust continued keen and only about one-half of the home demand was supplied by Canadian industry. As to the individual Companies the Dominion Steel Corporation—the holding concern for the Dominion Coal and Dominion Iron and Steel Companies—with its capital stock of $34,598,600 held its annual meeting on May 19, 1911. Mr. J. H. Plummer, President of the Corporation and of the two subsidiary Companies, in his address pointed out that although no dividends had been paid for the year ending Mch. 31 yet the Coal and Steel Companies had made net gains which had been added to the value of the properties by additions to plant and working capital. He declared that the cessation of the bounty on wire rods would com-

pel the closing of their rod mill and dealt with the Bounty question as follows:

Much has been said of the large amount we have drawn in bounties on pig iron and steel ingots, and it is large, having averaged for the ten years of our existence between $500,000 and $600,000 each year. We need not, however, waste time in defending the bounties. We all know that for many years the bounties had been offered vainly to induce the starting of such enterprises as ours. Then, when a scale was finally adopted which had the desired effect of inducing people to provide the necessary capital one would suppose that the larger amount paid out in bounties the better, since that meant success for the policy adopted by Parliament. If we got so large an amount, it was because we ventured a large amount of capital and went into the business in a large way. I have never been able to see any difference in principle between the bounties which have been granted to build up the manufacture of steel and iron in Canada and the high tariffs which were established and used successfully for the same purpose in England and in the United States. In Canada, at any rate, the bounties were voluntarily offered as a *quid pro quo*, and were so accepted by people who put (and still have) a lot of money at stake in these enterprises. The Finance Minister has shown that they were repaid by increased public revenues and it is not without bearing on this point that the Dominion Steel Company since it began operations has paid out about $20,000,000 in wages. The theorists may say that the wages had better have been paid for work in other lines that needed no bounty. I say that the bulk of these wages would never have been earned in Canada, at all, except through the bounties and, moreover, that the country owes to them a sound industry, which, in our own single case will, in 18 months from now, be the direct cause of an expenditure in wages of $6,000,000 to $8,000,000 a year.

The production of the Dominion Coal Co. for the 15 months ending Mch. 31, 1911, was 4,412,639 tons and the net earnings $2,118,686; the output of the Dominion Iron and Steel Co. for ten months ending Mch. 31 was 205,865 tons of pig-iron, 250,462 of steel ingots, 109,534 of rails, 68,602 of wire-rods and 28,040 of billets and blooms with net earnings of $2,201,185. It was announced, also, that the Cumberland Railway and Coal Co., owning large and valuable coal areas, had been acquired. On Nov. 20 an important meeting of the Steel Corporation was held at Montreal and Mr. Plummer announced that the chief subject considered was "the recommendation of the President that the Steel Company should not continue to provide for the expenditure on its new plant by the sale of the bonds which were authorized in 1909, and of which about $6,000,000 is still held in the treasury, but that capital should be obtained by the issue of preferred stock of the Corporation. The Coal Company has also entered on important extensions which will increase its fourteen producing collieries to twenty, and require greater facilities for transportation, etc. The capital required by that Company can also be best obtained through the Corporation. The advantages of this mode of financing is that it avoids the increase of fixed charges and leaves the Steel Company with a large reserve of un-issued bonds of established market value." It may be added

here that the Boards of all three Companies—holding and subsidiary—had Mr. Plummer, Sir W. C. Van Horne, J. R. Wilson, William McMaster, Hon. G. A. Cox and Hon. R. Dandurand as members. Other Directors of the Corporation were Sir H. M. Allan, G. Caverhill, Hon. R. McKay, Hon. David McKeen, Sir William Mackenzie, Colonel James Mason, F. Nicholls and W. G. Ross.

The Nova Scotia Steel & Coal Co. had the largest business in 1911 of any year in its history, except 1910, with an output of coal totalling 780,468 tons and of iron ore 521,011 tons. The output of coke was 97,580 tons, pig-iron, made, 84,497 tons, steel ingots 83,718 tons and steel billets 78,004 tons with limestone and dolomite quarried 72,236 tons, and shipments of finished steel forgings totalling 69,800 tons. Of its coal shipments 300,000 tons went to Montreal and St. Lawrence River points. Despite the depression in the iron and steel trade the profits of the year were $1,019,392 and for the six years 1906-11 they totalled $5,707,619. R. E. Harris, K.C., was re-elected President (Mch. 27) and Hon. J. D. McGregor Vice-President with Thomas Cantley as 2nd Vice-President and General-Manager. Speaking at the close of the year Mr. Cantley dealt with the fiscal situation as follows: "Owing to the depression in the European markets and the utter demoralization in the American trade, during the latter months particularly, Canadian iron and steel makers were forced to meet dumping conditions and slaughter of prices abroad as the only alternative to large curtailment of output and operations. The situation now is that instead of a combined protection of bounty and duty of, say 30 per cent., the trade is struggling along with protection ranging between only 8 to 15 per cent. In short the protection given to-day by the tariff to the great bulk of the iron and steel trade of Canada is, roughly, but one-third of that deemed necessary when the tariff was last revised in 1897."

The Steel Company of Canada, with headquarters at Hamilton and forming a combination of steel, rolling mills, screw and wire, bolt and nut industries, had a prosperous year. Its stocks were listed on the London Exchange while, at the close of the year, A. E. Ames & Co. of Toronto, the well-known brokers, issued a statement from which the following is a quotation and dealing with the Company's stock as an investment ($18,000,000 capital and $7,500,000 in bonds): "It is understood that all the plants are busily employed and working to their full capacities; that the volume of business this year will show an important increase over that of last year; that there are no labour difficulties and none immediately anticipated; that to take care of the increasing business offering and in prospect it is contemplated to make important additions to the Hamilton plant, involving an

expenditure of $2,000,000 for rod blooming and billet mills and two 60-ton continuous open-hearth furnaces; that all the plants are modern, well equipped and situated at strategical points for incoming and outgoing water and rail freight."

Of the Lake Superior Corporation, at Sault Ste. Marie, much might be said. Its capital liabilities on June 30, 1911, were $51,300,000; its output of pig-iron was 170,359 tons and of steel rails 201,615; the total income of its subsidiary companies—the Algoma Steel, the Algoma Central and Hudson's Bay Railway, the Lake Superior Paper Co., Algoma Eastern Railway, etc.—was $1,200,216 with a total income for the corporation of $618,570. During 1911 a three-year loan of $2,500,000 was obtained to develop the Magpie iron-mine in which 20,000,000 tons of high grade ore had been proved and the Lake Superior Paper Co., Ltd., was re-organized from a preceding concern—with contracts for power from another subsidiary company and for pulpwood from the 2,170,000 land grant of the Algoma Central Railway. In the two years, 1910-11, over $11,000,000 were spent on improvements and new construction, the Algoma Central was pushed to its connection with the C.P.R. and the Algoma Eastern to Little Current from Sudbury. As to fiscal matters T. J. Drummond, President of the Corporation, told the Toronto *Globe* (Jan. 1, 1912) that:

> **The fiscal tariff of 1897, so far as the iron and steel industry is concerned, was a combination of bounties and duties, and was based on the then conditions of industry in Canada from a producing point of view. Unfortunately, a few years later, the tariff became personal in its effect, and one by one certain most favoured users of iron and steel were declared immune, not subject to the general tariff as were their neighbours, and this line of action fairly riddled the so-called general tariff. The makers of the most important lines of agricultural implements were declared exempt through a rebate of 99 per cent. on the iron and steel used in the manufacture of implements for the home market, and similar extensions were granted to the manufacturers of springs, axles, bedsteads, windmills, etc., and these people, being virtually bonused so to do, imported their requirements in pig-iron and steel. Then, too, the bounty which formed part of the protection given in 1897 was subsequently placed on a reducing scale, and finally disappeared. It was generally recognized that the disappearing bounty would mean a re-adjusting of the duty, where necessary, but this re-adjustment, so far, has not been made.**

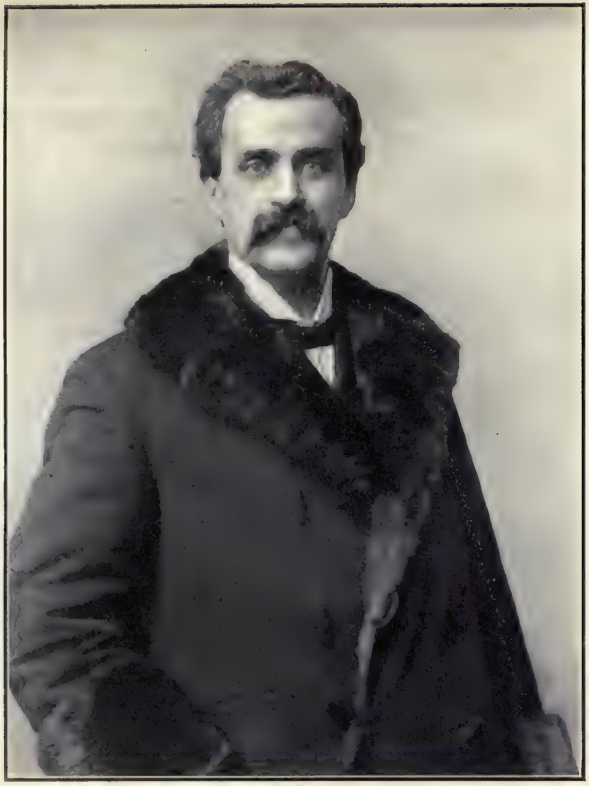
In all manner of miscellaneous industries there was progress in 1911. Motor cars and automobiles were everywhere and the Canadian makers prospered accordingly—despite the increase in importation from 1,424 motors in 1909-10 to 3,488 in 1910-11 and the fact that the United States, from which most of them came, was estimated to have built 140,000 in the latter year valued at $175,000,000. The net earnings of the Shawinigan Water and Power Co. in 1911 were $1,060,000 and the net

revenue $622,654—a gain in the latter case of $345,257 in the year; the Dominion Power and Transmission Co. of Hamilton had gross earnings of $2,251,247 and surplus earnings of $684,884: the Canada Cement Company, Ltd., had a surplus of $496,802 out of net profits totalling $1,382,038; the Canadian Westinghouse Co. of Hamilton had net earnings of $1,010,153 and a total in the years 1905-11 of $3,520,862; the Canadian General Electric Co. of Toronto showed the largest gross earnings in its history with profits of $1,405,889 or nearly $500,000 more than in 1910; the Laurentide Paper Co. (near Montreal) had profits of $713,539 and a total of $2,320,363 in 1906-11. These are only illustrations and of course touch the fringe, merely, of the industrial development going on all over Canada. In view of the Census of 1911 the following figures* of industrial development between 1871 and 1905 are of permanent value:

	1871.	1881.	1905.	Increase or Decrease, per cent.
Textiles	$24,768,976	$41,090,551	$85,982,979	347·15
Iron and steel products	13,928,855	16,943,321	53,125,265	395·78
Timber and lumber	41,065,971	55,407,540	112,494,072	273·93
Leather and products of	27,913,809	36,455,776	42,123,007	150·08
Paper and printing	5,199,964	9,560,497	33,738,772	648·82
Liquors and beverages	6,459,443	7,054,050	14,394,319	222·85
Chemicals, etc.	5,815,504	8,189,559	15,703,306	270·04
Clay, stone and glass	3,482,427	5,729,556	13,986,000	364·23
Metals and products	4,312,720	8,954,032	50,828,968	1,178·57
Tobacco and manufactures of	2,435,343	3,060,306	15,274,923	627·31
Vehicles for land	5,361,234	10,535,443	37,396,302	699·60
Capital employed	77,964,020	165,302,623	833,916,155	1,069·60
Employees, number	187,942	254,935	383,920	204·41
Salaries and wages	40,851,009	59,400,700	162,175,578	396·99
Value of products	221,617,773	309,676,068	706,446,518	318·39

The 40th annual Convention of the Canadian Manufacturers Association was held in Toronto on Oct. 10-12 with President W. H. Rowley in the chair. The membership was reported as 2,725 and various standing Committees—*Industrial Canada,* Insurance, Commercial Intelligence, Tariff, Parliamentary, Technical Education, and Transportation, submitted elaborate reports of work, operations and policy. The President, in his address, handled Reciprocity with vigorous hostility, described the defeat of the Laurier Government as due to "a revival of the deep spirit of Canadianism," stated that the Association, as such, took no part in the contest, urged practical protection of all interests in the country with tariff stability in connection with manufactures, and hoped for a Tariff Commission. The Report of the Tariff Committee reviewed the official statement of the Association as to its antagonism to Reciprocity, stated that had the Agreement become law articles imported under its terms would have been free of the "Dumping Clause" in the Canadian tariff; pointed

* NOTE.—Compiled by the Toronto *Monetary Times*, Feb. 16, 1911.



THE HON. LOUIS PHILIPPE PELLETIER, K.C., LL.D., M.P.
Postmaster-General of Canada.

THE HON. WILFRID BRUNO NANTEL, M.P.
Minister of Inland Revenue.

In the new Borden Government, 1911.

out that under the terms of the British Treaty with Japan, accepted by Canada, Japanese products were entitled to entry under the rates of the French Convention; approved, in a general sense, the creation of a Tariff Commission but indicated the probability of new problems arising in such a connection.

During the ensuing discussion C. W. Birge of Hamilton moved a Resolution, to which he spoke strongly: "Having regard to present conditions in Canada we consider that any increase in the existing Preference is inadvisable and would imperil the existence of many Canadian industries." He declared that the Preference of 33 1-3 per cent. was the extreme limit which Canada could or should accord Great Britain. The general opinion seemed to be that the motion was unwise at this juncture and it was eventually withdrawn. The Technical Education Report dealt with the decline of the apprentice system, the need of carefully trained managers and mechanical experts and the desirability of technical courses in secondary schools, the great need for skilled labour in every direction. Freight rates were also discussed at length.

Resolutions were passed (1) appointing a Committee to study the laws and needs of workmen's compensation for accident; (2) urging a meeting of representatives of Labour, Agriculture and Manufacturing to discuss national problems of mutual interest; (3) deploring the existence and extension of extra-Provincial legislation in Canadian Provinces and especially the forbidding of access to the Courts by Companies concerned; (4) urging more harmony and uniformity in many Provincial laws; (5) supporting conservation of natural resources and congratulating the Dominion Commission on its work. A banquet closed the proceedings with addresses by the Lieut.-Governor of Ontario, the new President of the Association (N. Curry), J. A. M. Aikins, M.P., Professor S. B. Leacock, William Greigg of Huntingdon, Que., Richard Grigg, British Trade Commissioner, Dr. J. W. Robertson and Sir William Whyte. The following Chairmen of Branches had been elected during the year: Toronto, S. B. Brush; Quebec, E. T. Nesbitt; Manitoba, J. H. Parkhill; British Columbia, J. W. Hackett; Hamilton, A. T. Hatch; Niagara District, T. J. Dillon; Montreal, J. H. Sherrard. The new Officers of the Association were as follows:

President	Nathaniel Curry	Montreal.
1st Vice-President	R. S. Gourlay	Toronto.
Vice-President for—		
Ontario	R. McLaughlin	Oshawa.
Quebec	C. B. Gordon	Montreal.
Manitoba	M. F. Christie	Winnipeg.
British Columbia	James Ramsay	Vancouver.
Nova Scotia	J. P. Edwards	Londonderry.
New Brunswick and Prince Edward Island	John Palmer	Fredericton.
Alberta and Saskatchewan	W. H. Clark	Edmonton.
Treasurer	George Booth	Toronto.
General Secretary (appointed)	George M. Murray	Toronto.

Immigration and the 1911 Census of Canada

Much was expected from the Census taken on June 1st, 1911. Immigration had been pouring into Canada for years in ever-increasing numbers and the estimates of population varied from 7,500,000 to Mr. Kipling's assumption of 9,000,000—the popular impression being about 8,000,000. The Census of 1871 had shown a total of 3,689,257; that of 1881 a gain of 635,000 and a total of 4,324,810; that of 1891 a further gain of 508,429 and a total of 4,833,239; that of 1901 a gain of 538,000 and a total of 5,371,315. According to the official figures of immigration the total between June 30, 1900, and Mch. 31, 1911, was 1,788,369. It did not occur to the public that there was also an emigration from the country during these years and there was no definite data showing what it was; so that the tendency was to add this immigration and the preceding Census figures together with a net natural increase of, say, 20 per cent. or 1,000,000—making the total estimate of 8,000,000 population. The only light really thrown upon the other side of the shield was in a speech by Mr. R. L. Borden in the House on May 1, 1911:

> **I have here the report of the Commissioner-General of Immigration for the United States which gives the returns up to June 30, 1910. According to these returns the migration from the United States to Canada during the 12 months mentioned amount to 116,377. During the same period the emigration from Canada to the United States, according to this report, was as follows: United States citizens, 22,832; Canadian citizens 44,328; other aliens, 27,336; making a total of 94,496. If these statistics are correct the balance of immigration into Canada from the United States over the emigration from Canada to the United States was a little less than 22,000 which result, I am bound to say, is one that I would hardly have expected. There does not appear to be any official information available in this country as to the number of persons leaving Canada for permanent residence in the United States.**

If this process had been going on steadily during the past decade it would, obviously, make a great difference in the coming Census and in the hopes of an optimistic people. Mr. Oliver, Minister of the Interior, admitted that there were no official Canadian figures as to emigration from Canada and explained that it would be an expensive process to obtain them. He was not sure of the accuracy of the United States statistics but did not actually challenge them. Mr. Borden afterwards stated that he had analyzed the figures quoted very closely and had come to the conclusion that there were 67,000 emigrants from Canada in the year mentioned. Mr. Paterson, Minister of Customs, stated that returns showed $2,076,137 of settlers' effects going to the United States in the period dealt with and $7,613,553 coming from there. Some Opposition speakers were inclined to argue that the Government had taken undue credit to itself for an immigration policy which was not proving as fruitful, in a permanent increase of population, as expected. In a speech delivered by Mr. Fisher, Minister

of Agriculture, on May 27th at Farnham, he put such considerations out of sight and made the following remarks: "We have increased 47 per cent. in population in 10 years, the largest increase of any country in the world. In 10 years we will have 12,000,000 people, in 10 more 16,000,000 to 17,000,000 and in 10 more over 30,000,000 people in Canada."

Meanwhile the Census arrangements were going on with notes of dissatisfaction expressed here and there as to methods and character. One statement was that the Quebec part of the Census had always been more or less inaccurate because, it was said, the Census enumerators returned names of thousands of persons carried upon the Registers of the various parishes and furnished in good faith by the local Curés. Very many of these people, so returned, really lived in New England, voted there and were to all intents and purposes citizens of the United States. They had, however, been born and reared in Quebec, sometimes visited their old homes, perhaps contributed to the support of the parish church, and were naturally carried upon the records of the parish as members of the congregation. Another criticism was expressed in the House on May 15th when W. D. Staples (Cons.) charged that a Liberal party organizer was in control of the Census enumerators of Manitoba. The returns actually asked for by the Government on June 1st were very complete and included particulars as to residence, birth, family, domestic conditions, citizenship, nationality and religion; profession, occupation and trade or means of living; wage-earnings and insurance; education, and language spoken, and infirmities. The production of Agriculture, Manufactures, Minerals, Fisheries and the Dairy was to be analyzed. Only some general details as to area and population were made public in October, 1911, and they showed the population to be 7,192,338—subject to a revision which afterwards made about 100,000 difference. The final figures for Canada and the Provinces were as follows:

Provinces.	1911.	1901.	Increase.	Increase p.c.
Alberta	374,663	73,022	301,641	413·08
British Columbia	392,480	178,657	213,823	119·68
Manitoba	455,614	255,211	200,403	78·52
New Brunswick	351,889	331,120	20,769	6·27
Nova Scotia	492,338	459,574	32,764	7·13
Ontario	2,523,208	2,182,947	340,261	15·58
Prince Edward Island	93,728	103,259	9,531*	9·23
Quebec	2,002,712	1,648,898	353,814	21·46
Saskatchewan	492,432	91,279	401,153	439·48
Yukon	8,512	27,219	18,707*	68·73
Northwest Territories	16,951	20,129	3,178*	15·79
Totals for Canada	7,204,527	5,371,315	1,833,212	34·13

* Decrease.

These returns showed a total gain of 1,833,212 or 34·13 per cent. in ten years. Compared with United States progress this result was not unfavourable. Not since the decade 1850-60 had the Republic exceeded 30 per cent. and this latter increase was

in 1870-80. There was, however, immediate Conservative criticism, and some not Conservative, with the prompt question as to where an alleged missing million of population had gone to. Either the people had not come into the country as the Government returns showed, or they had left the country in large numbers, or the natural increase of the population by birth was nil, or else the Census figures were wrong. Statistics as to emigration to the United States were worked out by the Toronto *Mail,* for the whole decade, from American returns and it was stated (Oct. 19) that these returns only showed a total of 179,226 between 1901 and 1910. The inference of this journal was that either Canada's immigration lists were inaccurate and the expenditure of $7,768,199 in that connection during the ten years mis-spent, or that the Census had been improperly taken. The Winnipeg *Free Press* (Lib.) analyzed the situation on Oct. 19th, stated that a similar mystery prevailed at each recurring Census, put the natural increase of the people at 10 per cent. as a safer figure than 20 and estimated the total at 537,131 in the decade. Adding the immigrants and taking no account of their natural increase it left 800,000 of a population as "missing."

The Toronto *News* (Cons.) on the same date referred to Canadians as naturally optimistic and to the enumerators as untrained, careless and appointed in many cases from political considerations. It was, therefore, no reflection upon the permanent Census officials at Ottawa if inaccuracy was charged. Reference was also made to the difference of conditions in the United States 13th Census when all the enumerators had to pass a Civil Service examination and each applicant to be also endorsed by two prominent business men in his locality. The Ottawa *Free Press* (Lib.) thought the Census itself fairly accurate and proceeded: "Taking this for granted, it then seems necessary to have some sort of an investigation as to where the immigrants go. Are we maintaining an Immigration corps merely to bring people to Canada as a way-house to the United States, or are we still contributing our thousands of young people each year to the millions of the American Republic? The Census figures give us cause for thought and, probably, for investigation." From specific localities many and, perhaps, natural complaints or expressions of disappointment came. Saskatoon, Calgary, Port Arthur, Moose Jaw, Lethbridge, Edmonton and other centres of the buoyant West were keenly disappointed to find their estimates of local population lowered. The Toronto *Globe* (Oct. 19) considered the most serious thing in the returns to be the indications of a decline in the rural population of the older Provinces:

In the Province of Ontario the total increase of population during the ten years was 336,955. Toronto supplied, within a fraction, half this total. The other cities and towns of over 4,000 population increased 176,553 during the decade. There were 344,753 more of the inhabitants

of Ontario living in towns of over 4,000 in June last than there were ten years ago. The number of persons actually living on the land or in villages and small towns was 7,798 less than a decade ago. While depopulation in rural Ontario is proceeding more rapidly perhaps than elsewhere, the same tendency is manifest in all the eastern Provinces. Quebec shows an increase of 351,799 during the Census period. The growth of Montreal is responsible for considerably over half of the total. Indeed, if to the increase of 198,467 in Montreal we add the increases in Westmount, Longueuil, Maisonneuve and other suburbs two-thirds of all the increase of population in the Province of Quebec during the past ten years has taken place in the Montreal metropolitan area. The total increase of population in Quebec cities and towns of over 4,000 has been 272,293—leaving 79,500 as the increase of population on the land and in the smaller towns.

The population of Canada per square mile in 1911 was 1·93; the area 3,729,665 square miles (map measurement) or 2,386,985,595 acres. The Provincial areas were as follows: Alberta, 255,285 square miles or 163,382,400 acres; British Columbia, 355,855 square miles or 227,747,200 acres; Manitoba, 73,731 square miles or 47,188,298 acres; New Brunswick, 27,985 square miles or 17,910,400 acres; Nova Scotia, 21,427 square miles or 13,713,920 acres; Ontario, 260,862 square miles or 166,951,636 acres; Prince Edward Island, 2,184 square miles or 1,397,991 acres; Quebec, 351,873 square miles or 225,198,561 acres; Saskatchewan, 251,700 square miles or 161,088,000 acres; Yukon Territory, 207,076 square miles or 132,528,640 acres; the North-West Territories, 1,921,685 square miles or 1,229,878,400 acres. Following the Census there would, in due course, come a redistribution of representation at Ottawa with Quebec's 65 members, under the B.N.A. Act, as the basis and about 31,000 as the new unit of representation. It was estimated that 18 new seats would go to the West as a result of these returns with decreases in Ontario and the three Atlantic Provinces.

Meantime Canada's immigration had continued to increase in 1911. In the fiscal period ending Mch. 31st the number officially given was 311,084 of whom 123,013 were from the United Kingdom, 121,451 from the United States and 66,620 from other countries—chiefly continental Europe. Of the 1,788,369 received since, and including 1900, the total from Great Britain had been 690,208, from the United States 627,185 and from other countries 470,976. The British immigration of 1910-11 was the heaviest on record and this, too, in spite of what the Deputy Minister of the Interior stated in his Report to be "the greater restrictions imposed by the regulations now in force and which are very stringent." Of other than English-speaking persons this year's immigration included 7,891 Austrians, 3,553 Galicians, 2,869 Ruthenians, 1,068 Bulgarians, 5,278 Chinese, 5,146 Hebrews, 8,359 Italians, 6,621 Russians, 3,213 Swedes, 2,169 Norwegians, 2,177 Poles, 1,563 Belgians, 2,041 French and 2,530 Germans. There were only 437 Japanese and 5 Hindus. Of the total num-

ber 185,198 were males, 71,038 females and 54,848 children. Of the men, by occupation, 82,654 were farm labourers or farmers, 48,712 general labourers, 26,406 mechanics, 11,242 clerks, etc., 6,044 miners. As to destination 13,236 were for the Maritime Provinces, 42,914 for Quebec, 120,198 for the Prairie Provinces and 54,626 for British Columbia. The number of deportations were 784. The homestead entries of this period in the West were 44,479.

The annual Report of J. Obed Smith, the energetic Assistant Superintendent of Emigration in London since 1908, indicated a wide area of propagandist work during the year and, if results be the proof, good service must have been rendered—the figures for 1907 being 55,791 and for 1911 more than double that total. As to the Canadian Department of Immigration its Superintendent, W. D. Scott, defined his policy early in the year before the Committee on Agriculture and Colonization. It was to " encourage the immigration of farmers, farm labourers, and female domestic servants from the United States, the British Isles, and certain northern European countries, namely France, Belgium, Holland, Switzerland, Germany, Denmark, Norway, Sweden and Iceland." In the administration of this policy " the Department has endeavoured to be as just and humane as possible, bearing in mind, however, that its duty is to Canada and to Canada only, and that while every applicant for admission who is likely to be an acquisition of the country shall be admitted if the law will permit it; on the other hand, every person who is likely to be a detriment to the country must be rejected if the law will allow it." Passing from the fiscal year 1911 it may be added that the calendar year ending Dec. 31st showed a still more marked development. The total was 350,374, of which 144,076 came from the United Kingdom, 131,340 from the United States, 63,376 from continental Europe and 11,582 miscellaneous. In the matter of British emigration as a whole Mr. John Burns, President of the Board of Trade, stated in the Commons early in November that in the nine months of 1911 20·2 per cent. had gone to the United States and 79·8 per cent. to other parts of the British Empire as compared with corresponding figures in 1909 of 40·8 per cent. and 59·2 per cent.

Incidents of the year included an official statement at Omaha, Neb., that in 10 years 25,000 people had gone from that State to Western Canada carrying cash and property valued at $21,263,000; the statement by L. W. Hill at a St. Paul banquet on Nov. 27 that the United States in withdrawing 134,801,000 acres of land from settlement in the north-western States had driven many people across the border to the flag of King George; the meeting on May 3rd of a number of Western United States Governors at Helena, Mont., to devise means of preventing further migration

to Canada; the experimental scheme inaugurated by the Duke of Sutherland which included the operation of two prepared areas of Western farming land. The larger area consisted of 2,500 acres near Clyde, southern Alberta, on the C.P.R.—soon to be reached also by the Canadian Northern—with tenants from the Duke's estates who were to be given a choice of buying the land in ten years with instalments at 6 per cent. interest or in five years at 4 per cent. interest. The plan was very similar to that on which the C.P.R. homestead lands were sold to the settlers. The other property consisted of 1,500 acres near Edmonton, to be retained by the Duke himself, and used for the training of farm labourers.

Some question was raised during the year by an influx of several hundred negro settlers into the West; in November complaints were made of the large number of young women being imported into the country under conditions which involved great moral danger; there was a steady migration of French-Canadians into the West and Northern Ontario—two trains, for instance, leaving Montreal on Apl. 4 with 1,000 settlers; it was stated to the press in Winnipeg, on Aug. 31, by W. C. J. Manning that a movement was developing in the Western States and embracing 6,000 Roman Catholic parishes for the purchase of a colonization area of three or four million acres in Western Canada and the organization of large settlements under Church auspices. The increasingly cosmopolitan character of Canada's population was well illustrated by the welcome accorded in Toronto to Archbishop Platon, head of the Greek Church in America, when on May 23rd and amid the acclamations of a thousand Bulgarians, Greeks, etc., he visited the local Greek Church and was received with a shower of flowers and elaborate Eastern ceremony. Another problem of population was described by *The Globe* of Dec. 23rd when it dealt with the extraordinary drift of women from the farms of Ontario into the cities. " In Bruce there are 1,875 more males than females, in Grey 1,719 more, and in a small county like Welland, 2,381. There is scarcely a county in Ontario, devoted chiefly to agriculture, in which there are not many more men than women, while in the single constituency of North Toronto there are 7,500 more women than men. Why is rural Ontario unable to keep the girls on the farm?" Lack of social intercourse and penurious treatment by parents were amongst the causes indicated. The Indian population of Canada causes no public difficulty from year to year except an occasional debate in Parliament when some Reserve is sold or exchanged. The plague of tuberculosis continued to be their chief enemy and, as to education, the number of schools in operation (1910-11) was 324 with an enrolment of 11,190 pupils. The value of their product in grains, roots and hay was $1,460,462 while their numbers were officially stated to be 108,261—including 4,600 Esquimaux.

Trade and Commerce of Canada in 1911

During the year ending Mch. 31st, 1911, the trade of Canada totalled $769,443,905. It was the largest in the history of the country, double that of 1901 and three times that of 1892. The imports of dutiable merchandise were $291,818,801 and of free merchandise $170,222,529—the total was $462,041,330. The exports of Canadian produce were $274,316,553 and of foreign produce $15,683,657—the total was $290,000,210. The imports of coin and bullion were $10,206,210 and the exports $7,196,155. Between 1897 and 1911 the trade with the British Empire had more than doubled—from $113,909,982 to $283,767,222. The imports of merchandise for consumption in 1911 were $451,745,108 and the duties collected $72,935,639. According to the Trade and Commerce Department Canada was 11th amongst the countries of the world in the volume of its trade in 1910 and second highest in the percentage of its increase—the Argentine standing first. The official details of Canadian trade during the calendar year 1911 and for the three preceding years were as follows:

Canadian Trade.	1908.	1909.	1910.	1911.
Imports for Consumption.				
Dutiable goods ...	$172,996,561	$212,322,327	$269,759,731	$320,452,211
Free goods	109,321,675	134,194,785	164,467,027	182,188,904
Total imports.	$282,318,236	$346,517,112	$434,226,758	$502,641,115
Coin and bullion..	9,970,339	5,444,900	9,578,110	22,209,677
Total imports.	$292,288,575	$351,962,012	$443,804,868	$524,850,792
Duty collected....	$47,669,276	$57,458,316	$69,784,677	$83,906,706
Exports.				
Canadian produce—				
The mine.....	$36,840,044	$38,669,008	$42,239,342	$41,121,688
The fisheries....	14,435,023	14,863,343	16,157,301	15,816,992
The forest.....	38,504,738	46,716,480	46,980,289	39,403,098
Animal produce.	53,019,843	53,040,391	52,674,344	50,045,005
Agricultural products	75,883,951	84,921,684	86,884,869	98,527,518
Manufactures ..	28,892,297	30,807,548	34,651,108	34,413,265
Miscellaneous ..	54,913	118,756	272,340	119,250
Totals	$247,630,809	$269,137,210	$279,859,593	$279,446,816
Foreign produce...	17,514,996	19,547,788	15,554,838	17,121,211
Exports	$265,145,805	$288,684,998	$295,414,431	$296,568,027
Coin and bullion..	4,858,901	2,277,447	3,435,840	7,195,301
Total exports.	$270,004,706	$290,962,445	$298,850,271	$303,763,328
Aggregate trade...	$562,293,281	$642,924,457	$742,655,139	$828,614,120
Imports by Countries from				
United Kingdom—				
Dutiable	$53,199,574	$66,512,568	$82,451,681	$86,575,640
Free	17,787,652	22,977,283	25,228,038	26,723,784
Australia	386,221	496,832	523,908	464,089
British Africa	347,060	567,270	1,198,589	423,095
" East Indies.	3,117,616	3,211,227	4,536,710	4,487,069
" Guiana ...	1,374,095	3,153,164	3,657,136	4,764,734
" West Indies, including Bermuda	7,093,680	7,091,040	6,518,375	5,498,560
Newfoundland	1,649,863	1,506,354	1,705,647	1,879,154
New Zealand.....	130,487	726,801	824,810	873,587
Other British.....	892,488	430,228	859,620	829,858

Imports by Countries from	1908.	1909.	1910.	1911.
United States—				
Dutiable	88,629,889	109,989,863	143,777,541	186,836,477
Free	87,000,050	97,450,617	126,867,195	154,356,135
Belgium	1,615,744	2,999,377	3,638,408	3,740,428
France	8,136,949	9,671,579	11,376,879	11,761,291
Germany	6,168,750	7,652,645	8,782,174	11,184,790
Other foreign.....	14,758,457	17,525,164	21,858,157	24,452,101
Total imports.	$292,288,575	$351,962,012	$443,804,868	$524,850,792
Exports by Countries to				
United Kingdom—				
Canadian produce	$133,625,624	$135,485,558	$135,652,854	$142,848,549
Foreign produce.	7,494,637	10,309,034	4,843,083	4,569,772
Australia	2,798,339	3,423,576	3,998,228	3,662,354
British Africa	1,979,752	2,099,117	2,342,883	2,599,944
" East Indies.	165,078	202,653	115,902	259,132
" Guiana	531,903	515,000	633,291	605,529
" West Indies, including Bermuda	2,905,717	3,081,022	4,574,575	4,434,452
Newfoundland	3,973,337	3,642,531	4,121,731	4,178,869
New Zealand.....	991,301	912,511	958,194	1,064,038
Other British.....	942,466	624,028	886,302	655,149
United States—				
Canadian produce	82,662,340	99,218,260	106,153,900	97,393,305
Foreign produce.	10,137,827	8,863,308	10,991,655	17,810,149
Belgium	4,385,490	3,261,664	2,613,830	3,154,880
France	3,064,192	2,431,914	2,728,627	2,257,789
Germany	1,683,606	2,792,829	2,717,301	3,393,213
Other foreign.....	12,663,097	14,099,440	15,517,915	14,876,704
Total exports.	$270,004,706	$290,962,445	$298,850,271	$303,763,328

It will be noted that there was a jump in the total trade from $769,000,000 in the fiscal year ending Mch. 31, to $828,000,000 in the calendar year ending Dec. 31st. According to the Trade and Commerce Department, taking the fiscal period and the ten years from 1901 to 1911, the increase of Canadian imports from the British Empire had been $82,853,086 or 177·54 per cent. and from all Foreign countries $192,310,013 or 137·16 per cent.; while the exports had increased by $40,756,950 to the Empire or 35·94 per cent. and to Foreign countries $54,734,117 or 67·47 per cent. According to figures presented to Parliament by Senator Roche (Nov. 22, 1910) the total trade of Canada in the 14 years 1883-96 was $3,064,364,983 and in the 14 years 1897-1910 it was $6,416,794,628. In the same periods the trade with the United Kingdom grew from $1,204,228,625 to $2,306,519,686 and with the United States from $1,207,298,719 to $2,823,780,-248. It was estimated upon a basis of the 1910 figures that Canada's commerce per capita was the second highest in the world —Great Britain $105.25, Canada $92.42 and the United States $35.59. In this development imports had exceeded the exports for years—an excess of $15,365,237 in 1903, $54,508,810 in 1907, $90,494,163 in 1910, $175,051,175 in 1911. Meanwhile the trade with Germany had been growing again to its former dimensions. By 1909 when the Surtax was removed the imports had gone down to $6,001,454; in 1911 they were $10,087,199.

V.—PROVINCIAL AFFAIRS—ONTARIO

Ontario Resources and Development in 1911

There was quiet progress in Agriculture throughout Ontario in 1911 despite certain conditions which required and received serious consideration. The total acreage in all field crops was 9,718,741 as compared with 9,725,684 in 1910 and 9,578,323 in 1909; the drought and intense heat of a part of the summer season had its effect upon production, however, and the total values according to Federal figures were $193,260,000 as compared with $204,002,000 in 1910 and $200,398,000 in 1909. The acres of assessed land in the Province at the beginning of the year totalled 24,706,699, the acres cleared 14,323,478, the acres of woodland were 5,293,094, the percentage of cleared land to the whole was 57·97. According to the new Census returns the population of the Province had grown from 2,182,947 in 1901 to 2,523,208 but, at the same time, the increase in urban growth had been greater than, and at the expense of, the rural communities. Much had been done in the past two decades by succeeding Ministers of Agriculture* and especially by the work of the Deputy Minister during 20 years—Mr. C. C. James—to meet a condition caused by the attractions of Western free lands and the glamour of city industrial development.

It was claimed by the Toronto *Globe* on Dec. 21st that in seven Counties alone there had been a decrease in the rural population of 30,980 and that when the final Census figures appeared the decrease would be over 100,000 for the whole Province. The alleged condition was made to point a political moral, first, and to prove the necessity of a different kind of Provincial Government and of freer national trade; in the second place, and with more acceptance, better roads were urged and an extended telephone system with control and operation by the Government. To this the Toronto *News* replied (Dec. 22) by stating that under the Whitney Administration of 1905-11 the total revenue from Ontario farms had increased by $50,000,000 and the assets of the farmers by $113,000,000; that demonstration orchards had been established all over the Province, the fruit industry given a great impetus, and the value of fruit-lands in Lincoln, Norfolk, and various other counties immensely increased; that field crop competitions, improvements in seed selection, growth of Farmers' and Women's Institutes and many other elements in agricultural betterment were clearly evident to those who wished to see.

* NOTE.—See History of Department in Special Supplement.

As to good roads much had been attempted and still more remained to be done. In 20 years $40,000,000 had been spent by the Townships in cash and statute labour; under the Highway Improvement Act there was $553,312 expended in 1910 within 17 Counties and, of this, the Municipalities paid $368,875 and the Province $184,437. Motor traffic and a growing appreciation by the farmers of the value of roads for marketing and social purposes made the question prominent in 1911 and one illustration was in the vote of $100,000 by Toronto and $100,000 by York County—supplemented by $100,000 from the Government —for improving the main highways radiating from the city. During the year much was done to aid agriculture by the promotion of immigration. Mr. N. B. Colcock, the Ontario Agent in London, was active in presenting the opportunities of the Province for agricultural labourers and for investors in farm lands or fruit lands. For Northern Ontario special efforts were made to promote Scandinavian settlement. According to Dominion returns the total number of immigrants for the year ending March 1st, who gave Ontario as their destination, was 80,035. The Ontario agency in London, however, could only report from direct knowledge 9,029 British emigrants to the Province though the indirect result of its operations must clearly have been considerable. As to general conditions Mr. C. C. James made the following statement to *The Standard,* in London, on Aug. 25th:

> **Ontario is a good place to carry on farming. The growth of the manufacturing towns is creating markets whose demands for agricultural produce are increasing faster than the supply. In fact there is considerable doubt as to whether they are producing enough to feed themselves. In some lines they certainly are not. It is a very favourable time for people who would settle upon the land. Thousands and thousands have been attracted to the West or drawn into the towns and cities and the consequence is that the Province of Ontario to-day presents peculiar advantages to two classes of people. First comes the man with no capital who is willing to work as a farm labourer. The demand for farm hands seems almost impossible to supply and wages are increasing. An experienced farm hand can get $25 a month and his keep throughout the year and, if married, he will be provided with a house. Besides the farm labourer, the Old Country farmer with some capital will find this a particularly favourable time to secure a farm of his own in Ontario. The conditions there will probably more closely resemble those to which he is accustomed than those prevailing anywhere else in the Dominion. Rural telephones and electric car-lines form a network of communication which do much to minimize the old-time loneliness of the farmer's existence and this autumn we are going to provide cheap electric power by means of transmission lines.**

As to this latter point Mr. H. N. Kittson, of the Ontario Railway Board, stated in the press on June 17th that " where five years ago there were less than 2,000 telephones in farm houses in Ontario there are to-day, approximately, 460 systems owned by Provincially-incorporated Associations, partnerships and individuals, operating nearly 50,000 telephones and representing a capi-

tal investment estimated at $400,000. Ninety per cent. of these systems, which do not include those of the Bell Telephone Co., were organized by farmers, who on their own initiative, have established this service and furnished most of the necessary capital; not so much with the object of earning dividends as from a desire to provide themselves with what experience has demonstrated to be a necessary adjunct to modern farm life."

Returning to Agricultural products it may be stated that on July 1st, 1911, there were 737,916 horses, 1,045,610 milch cows, 1,547,595 other cattle, 1,040,245 sheep and lambs, 1,744,983 swine and 12,942,293 poultry in the Province. During the year ending June 30th 105,741 horses, 837,544 cattle, 505,015 sheep, 1,963,937 swine and 5,011,313 poultry had been killed or sold. The wool-clip of the year was 3,780,798 pounds as against 4,010,300 in 1910. These were official Provincial figures. The Federal statistical authorities gave the Ontario production of factory butter in 1910 as 13,699,153 lbs. worth $3,482,171 compared with 7,559,542 lbs. valued at $1,527,935 in 1900; the production of factory cheese was similarly stated at 157,631,823 lbs. worth $14,845,661 in 1910 and 131,967,612 lbs. valued at $13,440,987 in 1901. The 1911 figures of orchard acreage in Ontario were 303,188, of small fruits 25,360 acres, of vineyards 11,586 acres, of gardens 58,748 acres. The following table gives the production of grain, etc., in Ontario during 1911 according to Provincial and Federal Statistics:

Product.	Area: Federal Statistics. Acres.	Area: Provincial Statistics. Acres.	Yield: Federal Statistics. Bush.	Yield: per acre: Federal Statistics. Bush.	Yield: Provincial Statistics. Bush.	Total Value: Federal Statistics.
Fall wheat..	814,746	837,492	17,069,000	20·95	17,926,586	$14,884,000
Spring wheat	126,526	133,711	2,183,000	17·25	2,295,534	1,956,000
Oats	2,734,110	2,699,230	82,679,000	30·24	84,829,232	37,040,000
Barley	521,391	616,977	13,760,000	26·39	16,248,129	9,645,000
Rye	98,887	98,652	1,766,000	17·86	1,562,971	1,379,000
Peas	252,032	304,491	3,954,000	15·69	4,462,182	3,848,000
Buckwheat .	176,328	189,039	3,780,000	21·44	3,852,231	2,306,000
Mixed Grains.	408,471	486,112	12,679,000	31·04	14,845,595	7,443,000
Flax	8,367	.....	118,000	14·06	.....	223,000
Beans	48,709	51,508	945,000	19·40	898,212	1,800,000
Corn for husking	290,667	308,350	18,001,000	61·93	21,913,290	11,395,000
Potatoes ...	152,887	162,457	15,624,000	102·19	13,918,698	12,499,000
Turnips, etc.	158,013	168,655	60,677,000	384·00	72,057,846	11,529,000
Hay and Clover ...	3,345,497	3,301,468	(Tons.) 4,583,000	(Tons.) 1·37	(Tons.) 4,238,362	64,121,000
Fodder Corn.	234,265	335,935	2,162,000	9·23	3,764,227	10,228,000
Sugar Beets.	19,002	24,664	162,000	8·53	8,941,659	1,090,000

Incidents of the year included the annual meeting at Guelph, on Jan. 10, of the Ontario Agricultural and Experimental Union, the important mission of which was indicated by Mr. James, Deputy Minister of Agriculture, as follows: "There was a day when wheat and barley were the principal products of the farm, but new conditions have arisen to change the course of production on your farms. The demand for horses from the West, the decline in the exportable surplus of eggs in Canada from 11 million dozen

in 1905 to a necessity for importation at the present day, the inability of Ontario to supply demands for the highest grade of fruit and the difficulty in marketing butter and cheese, are problems to tax the keenest minds. To help you learn how to solve these questions and to elevate the agricultural industry to its proper level you are given courses of instruction which are provided by your College and the Experimental Union." The rate of farm wages should, Mr. James thought, be raised so as to attract more labour and ensure larger production. F. B. Robins of Toronto got underway a scheme for interesting Toronto, English, and Scotch capitalists in the purchase of $3,000,000 worth of farm lands close to Toronto and their conversion into market gardens, small holdings for the raising of poultry and pigs, and the settling of Old Country immigrants on the gardens and farms.

A splendid Exhibition of Ontario apples was opened in Toronto on Nov. 14th and at the close of the year 36 co-operative fruit organizations were said to be in existence in Ontario. The Ontario Fruit Growers' Association on Nov. 16th passed Resolutions asking the Provincial Government to provide short courses at the Agricultural College, Guelph, for fruit inspectors and to hold schools throughout the Province for instruction of packers; the Dominion Government to amend the Inspection and Sales Act so as to define a minimum size for grades in the various varieties for apples, to provide for the appointment of a large number of inspectors, and for the services, on request of growers, of these inspectors at the point of shipment. The latter Government was also asked to secure by cable from the Canadian Trade Commissioners in foreign countries daily market prices for fruit in their respective districts and to publish them in the fruit districts; the Ontario Government was requested to send a capable man to Europe to study co-operative methods and marketing conditions and to give the Horticultural Experiment Station at Jordan Harbour every encouragement in the work of plant-breeding and distribution.

Much progress was made during the year by Agricultural Associations. The Women's Institutes, organized with the active aid of the Ontario Department of Agriculture, increased during 1911 to 634 branches representing 97 electoral districts, with a total membership of 19,091, and a record of 5,378 monthly meetings in the year with 1,055 female speakers. In his official Report G. A. Putnam, Superintendent of the Institutes, said that much had already been done in these organizations towards " perfecting home-makers in the Province by guiding the members in a more judicious selection of household supplies, simplifying methods of work, widening the interests of the women and providing healthful social advantages." Old, young, and middle-aged women found part and place in the Institutes while the Department of

Agriculture helped in sending out as Lecturers women of high ideals and special training. Farmers Institutes performed a similarly useful work and in the year ending May 31 covered 99 Districts with 20,215 members, held 1,133 meetings with a total attendance of 105,576 persons and heard 2,791 papers read upon a wide and valuable group of subjects.

During the year 10,121 attended meetings of Fruit Institutes, 38,850 attended short courses in seed and stock judging, 13,606 attended Dairy meetings while a train, equipped with various agricultural exhibits, was for the first time sent through certain counties and in eight days about 8,000 people were given new views of agricultural possibilities. Including these meetings and those of the Farmers' and Women's Institutes 328,307 persons received agricultural instruction of some kind during the year. The Ontario Agricultural College in 1911 had 1,557 students in attendance and of the 458 students in the regular course 68 came from other countries and 58 from other Provinces. In this connection the Department of Agriculture, with the recommendation of the Department of Education, appointed in May six graduates of the College as District representatives of the former Department to take charge of demonstration work in certain parts of the Province. Attendance at the Ontario Veterinary College totalled 377. In the Province as a whole there were 355 agricultural societies at the close of the year; and the field crop competitions under Department auspices included 1,800 competitors; the Demonstration Farm at Monteith made good progress. The chief Agricultural organizations and presiding officials in 1911 were as follows:

Organization.	President.	Address.
Ontario Association of Fairs and Exhibitions	J. U. Simmons	Frankfort.
Ontario Agricultural and Experimental Union	W. J. Lennox	Newton-Robinson.
Ontario Corn Growers' Association	J. H. Williams	Fletcher.
Fruit Growers Association of Ontario	D. Johnson	Forest.
Ontario Horticultural Association	R. B. Whyte	Ottawa.
Ontario Vegetable Growers Association	Thomas Delworth	Weston.
Ontario Sheep Breeders' Association	Lieut.-Col. R. McEwen	Byron.
Ontario Horse Breeders Association	William Smith	Columbus.
Ontario Large Yorkshire Swine Breeders Society	J. E. Brethour	Burford.
Ontario Berkshire Breeders Society	E. E. Martin	Canning.
Western Ontario Poultry Association	Richard Oke	London.
Eastern Ontario Poultry Association	George Robertson	Ottawa.
Ontario Provincial Winter Fair	John Bright	Myrtle.
Eastern Ontario Live Stock and Poultry Show	Peter White	Pembroke.

In farm lands the values were $700,905,425 at the close of 1910 or an increase of $20,000,000 in the year and of $40,000,000 since 1906; in farm buildings the value was $306,517,941 or an increase of $8,000,000 in the year and $33,000,000 since 1906; in implements, owned by the farmers, the total value was $81,-

570,981—an increase of $10,000,000 since 1906. Live-stock on the farms was valued at $194,416,037 in 1910 or an increase of $10,000,000 in the year. The total value of farm property, implements and live-stock was $1,283,410,384 as against $1,189,119,120 in 1906. The average value of the farms in this general connection, per acre, was $40.67; in 1906 it was $37.42. The yield per acre of Ontario crops seems also to be increasing. In fall wheat the average for 1882-1910 was 21 bushels per acre; in 1906 and 1907 it was a little over 23 bushels; in 1908 and 1909 it was slightly over 24 and in 1910 it was 26·7 bushels. Taking all field crops the increase in 1910 over the average of 1882-1910 was from 14·85 bushels to 17·98 bushels. In 1910 the official (Provincial) value of the Ontario field crop was put at $165,927,920—an increase of $6,800,000 in the year; of horses, cattle, sheep, swine and poultry sold or slaughtered the value was $71,833,731 or an increase of $7,400,000. Adding together the values of the grain crop of 1910, the live-stock sold or slaughtered, the wool-clip and honey output estimated at $2,000,000, the cheese product of $14,491,410 and the creameries output of $3,016,135 we have a total farm product for that year of $257,269,196.* The chattel mortgages against Ontario farms on Dec. 31, 1910, totalled $2,658,283; against other occupations the total was $28,450,617.

The Mineral production of the Province during this year showed the usual steady progress—from $17,854,296 in 1905 to $25,019,373 in 1907 and $32,981,375 in 1909, to $41,432,898 in 1911. During 1910 the production had been $39,313,895 with 16,688 employees and wages of $10,532,257. The 1911 Report of the Ontario Bureau of Mines, as presented by T. W. Gibson, Deputy Minister of Mines, and giving the statistics for 1910, estimated the total mineral product of the Province, as far back as figures were available, at $161,486,051. There was a reduction in the nickel product during 1911 of $340,000, but with an increased output toward the close of the year and arrangements for a new plant at Coniston—the junction of the C.N.R. and C.P.R. This great industry of the Sudbury District was in the hands of the Canadian Copper Co. and the Mond Nickel Co.—the former with probably the best plant of the kind in the world and costing about $4,000,000 with "proved supplies of ore" in its nickel-bearing lands said to total 30,000,000 tons. In this industry 2,156 men were employed and paid $1,698,184 in wages. There was a slight product of gold in 1911 from the new Porcupine area, an increase of $500,000 in silver and of $800,000 in pig-iron, of $400,000 in cement and of $578,000 in natural gas. The total production of 1911 was as follows:

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* NOTE.—If the Federal estimate of $204,000,000 for the field crop be taken this total would be $39,000,000 larger.

Metallic.	Value.
Silver	$15,953,895
Nickel	3,664,474
Copper	1,281,118
Iron, ore	445,930
Pig iron	7,716,314
Miscellaneous	213,527
Net Metallic production	$29,275,258
Less value of Ontario iron ore smelted into pig-iron and pig-iron converted into steel...	172,391
	$29,102,867
Non-Metallic.	
Arsenic	$74,609
Brick and Tile, Drain....	3,802,831
Building and Crushed Stone	$892,627
Calcium carbide	84,437
Cement	3,640,642
Corundum	147,158
Iron pyrites	118,457
Lime	402,340
Natural Gas	2,186,762
Petroleum	353,573
Salt	430,835
Sewer pipe	410,064
Miscellaneous	329,595
Total Non-Metallic production	$12,873,939
Add net Metallic production	29,102,867
Total Product	$41,976,797

Of the pig-iron produced 67,631 tons were of domestic and 848,814 of foreign origin. Discoveries were made during the year of mercury in the Cobalt silver ores and of tungsten in the Porcupine quartz veins. According to Dominion statistics the total product of Ontario in 1911 was $43,538,078—the difference being due to Federal computation of certain values at market rates and the Provincial computation by selling prices at point of production. By the Federal figures the total product of Ontario in 1911 was 41·72 per cent. of that of Canada; in 1910 it had been 40·76 per cent. In the lesser developments of the year the Lake Superior Corporation started a new Iron mine which was to open up large bodies of siderite and later on to help in supplying the demand for Bessemer iron ore. The immense possibilities of this region can be understood by the fact that similar veins and types in the United States Lake Superior region have shipped 443,000,000 tons of iron ore worth, at the smelters, about $1,700,000,000; while Ontario still imports most of its iron ore for manufacturing purposes. In Eastern Ontario mining there was a revival. The erection of an iron-ore concentrating plant at Trenton gave an impetus to local development. The long-neglected gold mines of Hastings and Frontenac Counties were being looked into at the end of the year. The talc industry was flourishing and Corundum holding its own. The Bancroft marble quarries produced acceptably. The petroleum industry of the Province continued to decline but, according to Mr. T. W. Gibson in the *Canadian Mining Journal* of Jan. 15, 1912, the oil-bearing formations of South-Western Ontario had such great thickness and wide extension that new discoveries were likely at any time. The same authority had this to say of Ontario's general resources:

> The fact is that there are few countries in the world which have a longer or more varied list of useful minerals than Ontario. Of the chief commercial metals, iron, copper, gold, silver, lead and zinc are found within her boundaries, the only absentee being tin. Petroleum, natural gas, salt and gypsum are contained in her stratified rocks. Mica of the amber or phlogopite variety, noted for its flexibility and resistance to the electrical current; graphite for use in the manufacture of lubricants, stove polish, etc.; feldspar, which the potteries of New Jersey and Ohio,

the makers of enamelled ware, and even the manufacturers of artificial teeth, find so useful; talc, which finds its way not only into the coated papers for illustration purposes, but also into the powder box of my lady's toilet; corundum, whose sharp bite is used by the foundryman in paring down his castings; arsenic, for insecticides and glass making; quartz, for silica compounds and iron pyrites, for the manufacture of sulphuric and other acids; are all the bases of important local industries. In addition to these and other products, Ontario abounds in materials of construction. It is fortunate that for comfort in this northern climate clay for the making of brick is plentiful and the towns and cities of the Province present an appearance of solidity and durability entirely wanting in the frame built cities of many parts of the United States.

As to the Government's interest in Mining the Provincial Department kept in touch with, and appears to have carefully investigated, all important discoveries and to have done what was possible by legislation to check improper representations in speculative enterprises. The mining royalties of 1910 totalled $246,529 and the mining lands sold or leased included 26,304 acres at $435,580; the Mining Companies incorporated were 162 in number with an authorized capital of $128,999,300 and Porcupine taking in public interest the place of Cobalt. Some of this mining progress was in New Ontario—apart from Porcupine and Cobalt which are dealt with separately. In the Gowganda district there was a quiet progress which was almost surprising in view of the failure of the effort to obtain Railway connection and the fact that the Camp was separated from the outside world by 50 miles of rugged waggon-road. The working mines, although few and far apart, kept on quietly with their development and from the Miller Lake-O'Brien and Millerett Mines a steady production resulted while small shipments came also from the Bartlett, Boyd-Gordon, Reeves-Dobie (concentrates), Calcite Lake, and Canadian Gowganda.

These last-named properties did not operate continuously or with much vigour throughout the entire year, but when one mine was closing down another was nearly always starting up to take its place and the end of 1911 saw production by the Mann Mines, the Hudson Bay and the Powerful. Prospecting also was carried on and some good surface discoveries made. During 1908-9 7,000 claims had been staked in this region but the majority were soon abandoned and about 2,500 only remained in this year—most of them under lease. The need of electrical power and railway connection and the rush to Porcupine were the serious factors in the situation. The whole of the Montreal River region had been more or less subject to the same conditions and the attractions first of Cobalt, and then of Porcupine, pushed its resources into the background. Gowganda, itself, was still a village in 1911, Elk Lake, not far away, had 1,000 of a population, continuous efforts were made, without result, to obtain a T. & N. O. branch to these points.

On Feb. 15 a large deputation waited upon the Provincial Government and asked for a branch from Charlton to Gowganda through Elk Lake—a distance of about 40 miles. Different speakers stated that $5,000,000 had been invested locally or spent on development work; that the tonnage to and between Elk Lake and Gowganda had reached a total of 16,393; that $2,000,000 would be spent this year in similar work if the Railway was granted; that the country between Charlton and Elk Lake would make first-class farming land; that large quantities of coal (2,000 cars) would soon have to be imported and thus add to the returns from the spur line; that the excess charges already paid for freight would have almost built the branch line and paid for the rolling stock; that the Line should finally go on to Sudbury and that it would benefit the whole Montreal River District. W. R. Hensey of New York said that his people were ready to make much more extensive investments if there was a railway to bring in machinery and take out the ores and concentrates from the mills. He had examined 75 properties of which, he declared, 25 would be producing mines as soon as railway facilities were available. The Bishop Silver Mines, Limited, of which he was President, would guarantee $10,000 a year in freight over the proposed line for the next five years. Consideration was promised but, eventually, Porcupine won out. It was understood that Mr. J. L. Englehart, Chairman of the Railway, had suggested to New York capitalists interested in Gowganda that they should furnish the funds and the Railway Commission would build the road for them, turning over 65 per cent. of the gross receipts from passenger and freight traffic, etc., and allowing 4½ per cent. on the investment. Something of this kind was done with the Timmins-McMartin syndicate and the extension of the Porcupine branch of the T. & N. O. into the Pearl Lake District.

In the Thunder Bay region—famous for its Silver Islet vein of the past—there had been much prospecting in late years but since 1904 there had been no actual production of silver. About $4,700,000 worth of silver had been produced prior to that and the Bureau of Mines (N. L. Bowen) reported in 1911 "bright prospects of important silver finds over a large area now little known." At Swastika, Munro and Larder Lake—in another part of the New Ontario region—development work proceeded during the year and shipments were promised in 1912. At Larder Lake the Reddick Mine started operations again in December and at this time (Dec. 16) *The Haileyburian* expressed renewed confidence in these fields where so much money had been spent in speculation. Up north of Fort William an effort was made to revive the gold activities of the Sturgeon Lake country with a renewal of work at the St. Anthony Mine. As to this region E. S. Moore had already reported to the Mines Bureau (1910) that "gold is widely distributed and one can locate a vein, small or

large, in many parts of the area. These veins are, however, as a rule very uncertain. The fissure at the St. Anthony is the only one which can be regarded as an important exception to this rule, and it is the only deposit which has given promise of really making a mine. While this area has been remarkable for the large number of fine specimens of free gold, these have been the products of secondary enrichment and concentration, and are not likely to continue to great depths." In the Lake of the Woods, where many old-time mining efforts had been made, the Mikado gold-mine was re-opened and the Secretary of the Kenora Board of Trade (R. H. Moore) wrote the *Canadian Mining Journal** that:

> **The Lake of the Woods District, embracing two or three hundred square miles of country, only a small fraction of which has been touched by the *bona fide* miner, presents to-day one of the best opportunities for investigation that lie before the mining investor. The Lake itself is a body of water 120 miles long by an average width of 20 to 40 miles, dotted with numberless islands. Throughout the length and breadth of the district there occur bodies of gold-bearing ores. These are found from end to end of the Lake shores with surface veins, in some cases, running from three to as much as 60 feet in width. Assays have shown that the gold contents range from a low figure to $100 a ton.**

Apart from Mining Northern Ontario in general attracted much attention during 1911 and its resources received continuous research and study. The 16,000,000 acres of estimated fertile soil in the Clay-belt became, under Railway construction and Government and commercial inquiry 20,000,000 of assured fertility. Between 1905, when the Temiskaming and Northern Railway—a product of Provincial Government enterprise and managed by a Commission with J. L. Englehart as Chairman—started operations, and 1910 its passenger service had increased from 258,000 to 1,944,000 and its freight from 875,000 to 5,216,000 tons. At Cochrane this Provincial road met the National Transcontinental and, during 1911, the new Porcupine region and its pioneers were brought into close touch with Toronto. From Toronto to Cochrane was nearly as far as to Chicago or Quebec but when the pioneer reached his destination he found abundant trees and wood—hard for cleaning, good for fuel—and plenty of splendid soil. During 1911 these settlers came in ever-increasing numbers and the agricultural implements sent into the Temiskaming region had totalled 3,185 in the two previous years while the successful agricultural Fairs at Liskeard and Englehart, Haileybury and Charlton, illustrated the development of the country in this respect.

More men, more money, more roads, more publicity, remained, however, still the great consideration at the close of 1911. Much had been done in these directions. Mr. J. L. Englehart voiced

* NOTE.—March 1, 1912.

his enthusiastic belief in the country upon every possible occasion. He addressed the Toronto Board of Trade on Apr. 6: "Is it not your duty to assist in opening up that great Northland, and to see that the settlers turn back from the trek of the West to the trek of the North—to hold our people in our own back-yard. The Province of Ontario, with the northland at its back—the Temiskaming country—has the possibilities and is a whole Dominion in itself." On Oct. 28, in speaking at length to the Canadian Club, Ottawa, he described the Larder Lake country as having silver possibilities which had been checked in development by extravagant prices for claims, and declared that there were also copper and gold and mica and nickel propositions in the same region; referred to the mineral resources of Swastika, the marvellous playground and sporting country of the Sesekinika, the area of remarkable agricultural land around Matheson, the Experimental Farm established by the Government at Monteith, the pulpwood region around Iroquois Falls, the marvel of the Porcupine, Cochrane as the centre of a land of wealth, the agricultural resources which formed "the bone and sinew and strength of the Temiskaming clay-belt."

Meantime, on June 13-18, the Toronto Board of Trade spent four days in travelling over this entire country so far as the T. & N. O. could take them. Cobalt with its population of 10,000 was visited and its mines inspected; Liskeard with its 3,700 people and rich farming community, Haileybury with a population growing from 464 in 1905 to over 5,000 in 1911, Cochrane, a railway centre, two years old with 2,000 homesteads taken up in its vicinity and 2,500 of a population; Monteith and Matheson, Englehart and Latchford, were all visited and the Lake Temagami region inspected. North Bay with its 8,000 people, great railway connections and steady development, like most of the other centres, entertained the visitors at a banquet with speeches steeped in optimism. To a similar gathering at Cobalt R. S. Gourlay, President of the Toronto Board, had said: "I believe that the youngest members of this Board here present will see the country of New Ontario with a population of ten million people. With that belief we have sketched out a persistent, steady, and vigorous campaign for the introduction of northern Ontario to the world as the best country yet waiting to be filled with settlers." Following this trip the Toronto Board sent F. W. Field of the *Monetary Times* to report upon the country in concise form but the result was not made public until 1912. Of the tour and the country F. D. L. Smith wrote in the Toronto Board's Annual Report as follows:

The tourists already knew that the Sudbury mines furnish the world with most of its nickel ore, that Cobalt camp has produced $50,000,000 of silver and that the Porcupine promises to be to Canada something of what the Rand is to South Africa. They did not realize that the Tema-

gami and other tracts carry great potential wealth in their standing pine, or that the country this side of and beyond the Height of Land contains hundreds of square miles of spruce and poplar lying in easy proximity to great water powers capable of providing the hydraulic and electric energy necessary to convert the pulp-wood into pulp and paper. Most of all, they did not appreciate the agricultural possibilities of the North. They had heard of the Clay-belt but did not fully understand that it is an extensive tableland of fertile soil stretching beyond Lake Abitibi into Quebec on the east and something like 400 miles westward towards Lake Nipigon, with a total width of 50 to 200 miles. They did not know that it is drained by a series of deep rivers dropping over a northerly escarpment and flowing finally into James Bay. This splendid tract has been tapped by the Temiskaming and Northern Ontario Railway while the National Transcontinental and Canadian Northern Railways, now under construction, will traverse it from east to west. The Board of Trade Delegates saw splendid crops of grain, hay and potatoes about New Liskeard and Englehart and there are equally promising tracts around Matheson and Monteith but Cochrane is the centre and jumping-off place for the great Clay-belt itself.

Taking Northern Ontario as a whole there were in 1911 20,000 square miles of forest reserved and set apart by the Government with resources of about nine billion feet of pine worth, approximately, $90,000,000. In the 20,000,000 fertile acres of this north country it was estimated that 30 counties of old Ontario could be re-created, that $100,000,000 a year could be obtained from crops grown on 160,000 farms, that 150 million cords of pulpwood were available, with water-powers on 25 great rivers running into the Moose and Albany of the further North. Enthusiastics wanted much done and done at once. The Toronto *Telegram*, (Dec. 9) asked the Government to grant 2,000,000 acres of land to the T. & N. O. Commission with a vote of $1,000,000 and a free hand in developing the region. Other and varied demands had come also from its main centres. The Provincial Government did what it could during the year. Forest rangers were warned as to the necessity of effective work in preventing fires and more men were appointed; pulp-limits in Abitibi Lake district were offered for sale by the Government in January on a public competition basis but the terms were rather exacting and the offers not acceptable to the Department; a new Loan of $5,000,000 for T. & N. O. construction and other purposes was arranged and the Railway Commission itself purchased the Nipissing Railway charter running from Cobalt to Haileybury and hitherto competing with the T. & N. O.; arrangements were made to give Northern Temiskaming a new Judicial district running from Temagami north to James Bay; an exploratory survey was made under Government instruction of the James Bay region which S. C. Ellis in his Report estimated to have 90 per cent. of good clay soil, well adapted for agriculture, and plenty of timber for local use but with no mineral resources of economic value in sight; the Borden Government at Ottawa was asked, as its predecessor had been, for the usual bonus of $6,400 a mile on the Provincial Government Railway.

Speaking of this whole region, in Toronto on Dec. 18, Hon. W. H. Hearst, Minister of Lands, Forests and Mines, said: "What is known as New Ontario comprises 112,000,000 acres, about four times the extent of Old Ontario. There are 26,000,000 acres of land west of Port Arthur. A few years ago our vision of the land was one of barrenness and unproductiveness. The impression was largely created by the location of the C.P.R. main line and the 'Soo' line. Between these two lines of steel stretched vast reaches of rich timber reserves and hidden mineral wealth. Then, of course, there are the wonderful agricultural possibilities bound up with the great clay-belt, 20,000,000 acres in extent; land which will be producing when prairie farms have become impoverished and fertilizers necessary. More than that, the New Ontario climate is better and more wholesome than in the West. Splendid settlement has already taken place along the line of the T. & N. O. Railway and at New Liskeard, alone, last year $100,000 was spent on agricultural implements. In a few years there will be a widespread colonization of this Northland tributary to Toronto." At the close of the year Eastern Ontario found in the region along the T. & N. O. a market of 56 villages and towns where six years before there had been a wilderness; in the District of Nipissing, a population of 74,000 where in 1901 there had been 28,000. Passing to the general progress and condition of Ontario the following summary may be given—outside of agriculture and mining:

Estimated Pulpwood acreage (1911)	70,000,000
Publicly-owned Pulpwood area (Estimated 1911)	52,400,000
Pulpwood produced in 1910 (tons)	156,076
Pulpwood produced in 1910 (value)	$1,479,538
Lumber-cut in 1910 (feet B.M.)	1,642,191,000
Lumber-cut in 1910 (value)	$30,011,000
Water-Powers (estimated horse-power)	4,308,479
Electrical energy (horse-power in 1910)	400,683
New Buildings in 1910	$36,372,172
Railway Mileage in 1911	8,321
Telephones in use, June 30, 1911	39,633
Assets of Public Utilities owned (1910) by 18 municipalities	$33,834,057
Fisheries produced in 1910-11	$2,026,121
Product (1910) 707 manufacturing Establishments	$122,726,571
Wages paid (1910) in 707 manufacturing establishments	$23,361,134
Number of Bank Branches, December 31, 1911	1,904
Bank Clearing-house returns (1911)	$2,298,808,410
Municipal Bond Sales during 1911	$6,169,435
Aggregate capital of new incorporations in 1911	$516,672,350
Assets, Loan and Trust Companies, Dec. 31, 1910	$308,729,138
Fire Insurance—Amount at risk Dec. 31, 1911	$459,803,042
Fire Insurance—Premiums in 1911	$2,404,413
Fire Insurance—Paid for Losses	$1,311,733
Export Trade (1910-11)	$93,965,252
Import Trade	$207,201,080
Population, 1911 Census	2,523,318

The Porcupine Goldfields and Cobalt Silver Development

The actual production of gold in the Porcupine during 1911 was about $40,000. Yet that region was the mining and speculative sensation of the day, the subject of Government and expert investigation, the objective of large investments and heavy expenditures. The discovery of these gold-bearing quartz veins was made in 1908 and 1909 in a district of Northern

Ontario which was then a wilderness; the centre of the discoveries was situated about 450 miles north of Toronto, 30 miles south of the Grand Trunk Pacific's main line and 100 miles north-west of Cobalt. The gold was at first found chiefly in the Township of Tisdale but the area widened to include portions of Whitney, Ogden, Shaw, Deloro and others, and, by the end of 1911, 10,000 claims covering 400,000 acres had been recorded with discoveries reaching west of the Matagami River in the Cripple Creek district. There had been expectations that this region might some day be productive and various scientific authorities had stated the existence of gold. But the prolonged disappointments of the Lake of the Woods and Rainy River, the latter failures of Larder Lake, had made the public very sceptical as to Ontario gold discoveries.*

It was not so, however, with certain men who had made their fortunes in Cobalt. N. A. Timmins, L. H. Timmins and S. J. Dobie purchased the Hollinger-McMahon claims, the Gillies property and the Miller-Middleton claim; John and Duncan McMartin and David Dunlop joined in pioneer investment and early development work; New York capital came in and acquired the Dome property and commenced active development there; the Armstrong-McGibbon syndicate of Montreal organized the Tisdale Gold Mining Co. as a close corporation and became associated with the Booth-Armstrong people; British capital and South African experience combined in developing the Rea Mines while other British capital came through the Scottish-Ontario Syndicate; the Milliken interests of St. Louis, New York bankers in the Lindberg mines, F. Augustus Heinze and other Americans in the Foster properties, and Toronto people in the Dome Extension; all went in for practical work. By the beginning of 1911 enough had been done to show that there was something in the Porcupine; by the end of that year there was little doubt as to its being a great gold camp. Porcupine or Golden City had been founded in 1910, developed, burned down and re-created in 1911; Pottsville, another village, had been started and then burned, also, in 1911; Aura Lake was another settlement and Timmins was the product of pioneer activity near the Hollinger Mine; Matagami Heights and Matagami Landing were other settlements within a small area—the whole district being estimated to contain 5,000 people at the close of the year. In 1910 the Provincial Government had sent A. G. Burrows—following upon investigations by E. M. Burwash in 1896, W. A. Parks in 1899, and other geological examinations in 1903-4-5 and 1909—to report upon the country and the result was made public in 1911. Mr. Burrows expressed no opinion as to the future of the region and much of his data was scientific and technical in character. The following statement may, however, be quoted:

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*NOTE.—See *The Canadian Annual Review* for 1910.

While gold-bearing veins occur over a wide area and are often isolated, it is seen, from a number of those already discovered, that they occur in groups along certain lines. For instance, in Tisdale Township there are at least three distinct areas where the fissuring has been pronounced. One such area extends from the southeast end of Miller Lake, on lot 11 in the first concession, in a northeasterly direction for three miles and includes such veins as the Miller-Middleton, Hollinger, McIntyre and Connell or Rea and, in addition, many others with visible gold. The average strike of the veins here is northeast-southwest. Another series, including the Davidson, Crown-Chartered, Armstrong-McGibbon and Bannerman (in Whitney) occurs in the northeast part of the Township in the fifth concession. The general direction of the veins is east and west. Again in the southeast part of the Township is a group including the Foster, Dome and Dome Extension, with a general strike somewhat south of west.

Meantime all sorts of opinions were being expressed as to the new Goldfields. J. B. Tyrrell, R. W. Brock, H. E. T. Haultain, W. G. Miller and A. A. Cole were amongst the Canadian experts who had expressed cautiously-favourable estimates. F. A. Heinze of the United States, H. H. Webb of South Africa, William Frechevile of Great Britain, were amongst outside experts who indicated their belief in the region; the Timmins brothers, the McMartins, J. B. O'Brian, Lorne McGibbon and many other Canadians proved their faith by large investments; James McArthur of Scotland, C. A. Moreing of London, E. P. Earle of New York, F. M. Rea of Chicago, were amongst other outsiders who put their money into the new field. Early in 1911 the speculative element dominated the public mind while the real investing and developing interests kept very quiet and went on with their work. Public exploitation and prospecting gave way to speculation, hundreds of millions of capital flotations were made and, on Mch. 25th, Alex. Gray, a pretty well-informed writer on mining matters, gave this warning in the Toronto *Globe:* " Porcupine calls for sanity. The participation of the best informed mining financiers and scientists is its great commendation. It can be diverted into speculative channels by those who have nothing to lose. What high-grade ores there are will contribute a livelier pace to speculation. It is for the low-grade to maintain an output and to encourage investors now chary of mining." Practical proofs of confidence were not wanting during these and following months. On Feb. 25 C. A. Moreing, representing English capitalists and with 40 years experience in Mining fields told *The Globe* that: " I am convinced Porcupine is going to be a permanent camp. I have seen true fissuring and I do not doubt the vertical extent of some of those ore bodies." About 2,000 acres had been acquired for his people and $50,000 already spent on machinery. Addressing these interests (the Northern-Ontario Exploration Co.) in London on Mch. 20 the Earl of Erroll, K.T. (Chairman) referred to their acquisition of one-half interest in a large Porcupine area owned by the Timmins-McMartin syndicate and proceeded as follows:

Further negotiations resulted in the flotation of the Company's first subsidiary in April last—the Ontario-Porcupine Goldfields Development Co., Ltd., with a capital of £600,000 of which nearly £100,000 was furnished for working capital. The gold-mining claims acquired have an area of about 2,000 acres and are spread over the Porcupine field, many of them having been selected by Messrs. Timmins on account of their contiguity to the Dome, Hollinger, and other gold-bearing properties. Messrs. Timmins were the pioneers of this field and we had the advantage of their practical and intimate knowledge of conditions on the spot. I have here the first annual Report of the Company which shows that a very large amount of exploration work has been carried out during the past summer. Another business negotiated by Mr. Moreing early in the year under review was a share interest in the Hollinger Gold Mines, Limited, which property, from all accounts, is likely to develop into a very big mine. The bulk of this interest has been realized at a very considerable profit. Another venture in which we have taken a hand is an exploration company, registered in Canada, called the Porcupine Veterans' Exploration Co., Ltd. This Company owns about 2,000 acres of freehold held from the Crown and located in the Townships of Murphy and Wark, immediately north of the Porcupine field. The Veteran's Company have done some preliminary prospecting over these claims, and have also acquired a working option upon a gold mine at Dryden.

On Mch. 6-8 the Canadian Mining Institute meeting at Toronto, with many representative mining engineers and experts from the United States in attendance, visited the Porcupine and inspected the work already accomplished—the Hollinger reporting ore-bodies so far discovered as yielding for each 100-feet of depth approximately 240,000 tons of ore with gross gold content of about $4,250,000 and a net profit of $2,750,000 on operation. The West Dome Mines, Ltd., was organized in Toronto on Mch. 16 with F. Augustus Heinze as President and Norman Macrae of Toronto as Treasurer. The property owned included 167 acres adjoining the Dome Mine and the Company's authorized capital was $3,000,000. Mr. Heinze stated that there were remarkable showings of fine gold. A few days later this veteran of American mining was visiting the new Camp and, on Apl. 25, his Report was published stating that he was encouraged by the outlook and that " assays were obtained from various pieces of material taken out, haphazard, that varied all the way from 60 cents to $13.70 per ton in gold, the majority of the assays being over $11 per ton in gold."

To the London *Financial News** L. H. Timmins, after stating his 25 years experience in mining and his good fortune in Cobalt, continued: " When we visited Porcupine we were greatly struck with the formation. It is totally different from anything else that I have ever seen. The formation is schistose and contains quartz veins. At numerous outcrops gold is showing freely and, although surface indications cannot invariably be accepted as proof that the lodes live in depth, we were so impressed that we acquired a very large number of claims. There are many excel-

* NOTE.—Republished in Toronto *World* of April 29, 1911.

lent surface showings, but comparatively little underground work has been accomplished. Several properties should prove capital mining propositions. At the moment the principal of these are the Hollinger, the Dome, and the Rea. The Timmins interest just now lies with the Hollinger for it is absolutely impossible for us to develop all our claims at once." Several thousand tons of ore had already been crushed with an average of $50 to the ton. The following important statement by George L. Walker, Editor of the Boston *Commercial* and a well-known copper-mining authority, appeared in the Toronto *Globe* of Nov. 24th:

> I went to the Porcupine to ascertain to my own satisfaction whether it was simply a bubble or a new gold district of importance. Of course I knew that many engineers had turned it down and that some of them had condemned even the best properties in the camp. However, I came away convinced that Porcupine has a big future. In view of the comparatively small amount of actual exploratory and development work so far done there are a surprising number of places in which gold ore of commercial value has been revealed. Diamond drills have been used quite extensively and have disclosed free gold to a depth of 800 feet or more. The general understanding of Porcupine is that two big mines are assured and that there are a large number of prospects. This is correct. Unquestionably the Dome, controlled by International Nickel interests, has several million dollars of profits demonstrated already. Its quartz deposit outcrops boldly over a big area on the surface and in at least one place there is a remarkable showing of free gold. The second most important property in the district is the Hollinger, controlled by the Timmins-McMartin-Dunlop interests, former owners of the La Rose Consolidated at Cobalt. This property and the Miller-Middleton and Dixon, adjoining, owned by the same people have, over an extensive area, numerous strong quartz outcrops, that carry good values in gold.

Meanwhile important events were occurring. The vital question of transportation was settled by the Provincial Government, through its T. & N. O. Railway Commission expending a large sum in rushing a branch of the Railway into the Porcupine. On July 1st the line was completed and opened to Golden City with telegraphic communication also established with Toronto. On July 11 the most serious Forest fire in Northern Ontario history occurred in this region. The villages of South Porcupine, Cochrane and Pottsville were burned to the ground, Golden City and Kelso were partially destroyed, and most of the mining properties were burned while at least 164 miners and settlers lost their lives in the hurricane of flame which swept over a wide area. The greatest fatalities were at the West Dome and Dome properties. The earlier estimates of loss were $600,000 each for Cochrane and South Porcupine, $200,000 for Pottsville, $800,000 for the Dome Mines with a general total of $3,000,000; the later estimates of loss to the Fire Insurance Companies was about $1,000,000. Large funds were immediately raised to help the homeless survivors. Toronto City Council voted $5,000, the Toronto Board of Trade, the City of London, the Masonic Grand Lodge, the Timmins brothers, and the McMartins, and the Canadian Bank

of Commerce, contributed $1,000 each, and a total of over $50,000 was raised within a month which was used for rushing in supplies, helping settlers to rebuild and in the erection of a hospital. Much and prompt aid was given by the T. & N. O. and, within a few months, aside from the loss of life, the region had largely recovered from a disaster which seemed as complete as it was sudden.

Other incidents of 1911 may be quickly summarized. Early in the year a Chicago syndicate acquired the Burns Mine, the claims of the Watson syndicate were sold in New York, and the Brydge claims in Deloro to an English group; the Drummonds of Montreal, with associates in London, were stated to have obtained control of the Jupiter Mines, Ltd., on the north shore of Pearl Lake; the Ontario-Porcupine Goldfields Co. (the Bewick-Moreing interests) put £600,000 of stock on the London market; the Success Gold Mines in Tisdale were purchased by W. L. Malcolmson of London while another English concern—the Porcupine Investors Ltd.—purchased claims in the same Township. On Aug. 29 it was stated that a "gold sidewalk" (2½ inches in width and 15 inches long) had been discovered on the Dome Mine and in the November issue of the German *Journal of Practical Geology* Walter Baelz described the gold-fields of New Ontario as having a permanent formation. About this time, also, the Temiskaming Company of Cobalt acquired the North Dome property and a party of New York, Boston, Chicago and Toronto capitalists visited and inspected various claims. On Nov. 15 A. T. Monell of the Dome Mine stated that "the drifting and sampling we have done has proved that values were on the whole better than even the diamond drill course would indicate. There is no question that the Dome is an enormous milling proposition. Just how rich it may be it is impossible to say." On Dec. 16 a Porcupine branch of the Canadian Mining Institute was organized in South Porcupine with optimistic speeches from A. G. Burrows, J. B. Tyrrell, Dr. Barlow, Dr. Frank Adams and other outside experts. The annual Report of the Hollinger Gold Mines, Ltd. (Jan. 15, 1912) showed an estimated tonnage of 462,000 and gold contents of $10,230,000.

While this practical development had been proceeding much of a sensational and speculative nature was also in evidence. W. S. Tarbell of Denver told the Toronto *Telegram* (Apl. 24) that Porcupine was going to be the world's greatest gold camp and Porcupine village a city of 23,000 within a year. The Toronto *Mail* of May 6 stated, under big headings, that there was "a solid mountain of quartz with gold in sight everywhere" at the Dome Mine; N. H. Truett, a Porcupine journalist, told the Toronto *Star* and other papers (July 15) that this was "the greatest gold camp on earth"; the Toronto *World* had a despatch on Dec. 12 describing "nuggets of pure gold" as blown out at one of the Mines. Little wonder that in one week, ending Mch. 25th, 683,241 Porcupine shares were sold in Toronto for $759,954. By the close of the year, however, there was estimated to be an actual

pay-roll in the mines (*Financial Post*) of $1,000,000 a month with, it was stated, development work proceeding in 31 mines and mining stocks selling in Toronto of 33 Companies with a capitalization of $56,000,000. There were also more than a dozen branches of Canadian Banks located in the region. Particulars of the chief concerns in the Porcupine at the close of 1911 are as follows:

Company.	Value of Shares Issued.	President.	Headquarters.
Foley-O'Brien, Ltd.	$2,500,000	M. L. Foley	Toronto.
Hollinger Gold Mines, Ltd.	2,750,000	N. A. Timmins	Toronto.
Dobie Mines Ltd.	1,200,000	F. C. Armstrong	Toronto.
Dome Extension Mines Ltd.	1,500,000	W. S. Edwards	Toronto.
Dome Mines Ltd.	3,500,000	Ambrose Monell	Toronto.
Northern Ontario Exploration Co., Ltd.	2,500,000	The Earl of Erroll	London.
Aberdeen Porcupine Exploration Co.	25,000	W. R. P. Parker	Toronto.
Achilles Mines Ltd.	500,000	L. J. Belknap	Montreal.
American Goldfields Ltd.	2,000,000	Edward Steindler	Toronto.
Apex-Porcupine Mines, Ltd.	1,300,000	J. A. Jacobs	Toronto.
Boston Development Co., Ltd.	1,000,000	G. A. Lugkin	Boston.
Bremner Porcupine Mines	600,000	A. C. Goudie	Toronto.
Canada Porcupine Exploration Co., Ltd.	40,000	G. H. Sedgwick	New York.
Crown-Chartered Gold Mining Co., Ltd.	1,500,000	O. L. Henault	Montreal.
Crown Reserve Mining Co., Ltd.	1,999,957	Lt.-Col. John Carson.	Ottawa.
Eleanore Gold Mines Co.	604,045	W. R. Hunter	Toronto.
Golden Rose Mining Co., Ltd.	300,000	E. J. Townsend	Toronto.
Gold Peak Mining Co., Ltd.	900,000	G. F. Morrison	Toronto.
Great Eastern Porcupine Gold Mines, Ltd.	500,000	E. H. B. Kortosk	Ottawa.
Great Northern Silver Mines, Ltd.	1,500,000	A. D. Crooks	Toronto.
Henley Porcupine Mines, Ltd.	500,000	A. D. Gibson	Toronto.
Canada Northern Explorers.	270,000	A. C. Boyce, M.P.	Sault Ste. Marie.
Daly - Taylor Porcupine Mines, Ltd.	900,000	C. N. Daly	Toronto.
Deloro Porcupine Gold Mining Co., Ltd	350,000	J. A. Munroe	Porcupine.
Dome Lake Mining Co., Ltd.	1,500,000	Frank Plummer	Toronto.
Eldorado Porcupine Mines.	300,000	W. H. Matthews	Toronto.
Ontario Porcupine Goldfields Development Co.	3,000,000 (authorized)	Cyril Wanklyn	London.
Patricia Mines, Ltd.	1,250,000	C. N. Daly	New York.
Pearl Lake Gold Mines, Ltd.	2,000,000	Burr E. Cartwright.	Toronto.
Peerless Porcupine Mines Co., Ltd.	1,500,000	M. Woodbridge	Toronto.
Phœnix Consolidated Mines Co., Ltd.	432,500	W. I. Fenwick	Montreal.
Plenaurum Mines, Ltd.	2,000,000	David Fasken	Toronto.
Porcupine and Hudson's Bay Mines, Ltd.	1,500,000	W. C. MacNeill	Toronto.
Porcupine Canada Gold Mines, Ltd.	500,000	A. C. Goudie	Toronto.
Moneta Porcupine Mines, Ltd.	1,200,000	Sir H. M. Pellatt	Toronto.
Montreal-Tisdale Gold Mines.	1,300,000	Lt.-Col. J. G. Ross	Sault Ste. Marie.
Mulholland Mines, Ltd.	1,000,000	W. S. Edwards	Toronto.
Niagara Porcupine Mining Co.	1,000,000	R. W. Norrington	New York.
North Dome Mining Co.	1,150,000	Burr E. Cartwright.	Toronto.
Ogden Porcupine Gold Mines.	1,000,000	C. R. Robinson	Buffalo.
Ontario Gold Wonder.	1,000,000	G. H. W. Smith	Springfield.
Homestead Mines of Swastika, Ltd.	1,200,000	F. L. Culver	Toronto.
Jupiter Mines, Ltd.	1,500,000	J. H. Hamilton	Toronto.
King-Porcupine Mines, Ltd.	300,000	Sydney Small	Toronto.
La Palme Porcupine Mines.	1,300,000	H. H. Lang	Toronto.
Lucky Cross Mines of Swastika, Ltd.	1,000,000	G. A. Hays	Toronto.
Martin Porcupine Mines, Ltd.	1,000,000	A. J. Young	Toronto.

Company.	Value of Shares Issued.	President.	Headquarters.
McIntyre-Porcupine Mines..	2,700,000..	Albert Freeman.....	New York.
Miller Porcupine Gold Mines.	1,500,000..	Alex. Miller.....	Haileybury.
Porcupine Central Mining Co.	600,000..	John C. Hicks.....	New York.
Porcupine Consolidated Mining Co.	637,500..	C. C. Smith.....	Kittery, Me.
Porcupine Contract Mining Co., Ltd.	2,250,090..	M. Woodbridge.....	Toronto.
Porcupine Coronation Gold Mines, Ltd.	500,000..	D. K. Martin.....	Toronto.
Porcupine Exploitation & Mines Co.....	1,000,000..	B. F. Just.....	New York.
Porcupine Goldfields, Ltd...	200,000..	A. G. Browning....	Toronto.
Porcupine Gold Mines Co...	1,850,000..	H. H. Ward.....	New York.
Porcupine Gold Reef Mining Co., Ltd.....	500,000..	Joseph Coulter	Toronto.
Porcupine Gold Ridge Mines.	1,000,000..	J. S. Stone.....	New York.
Porcupine Imperial Gold Mining Co.....	1,000,000..	H. L. Taylor.....	Toronto.
Porcupine Keora Mining Co.	1,038,000..	D. D. Chichester....	Toronto.
Porcupine Lake Gold Mines, Ltd.	750,000..	Hon. P. Talbot.....	Toronto.
Porcupine Merger Mines, Ltd.	1,000,000..	John McKinley.....	Toronto.
Porcupine Northern Mining Co.	400,000..	John C. Hicks.....	New York.
Porcupine Reserve Mines, Ltd.	1,000,000..	J. B. McConnell.....	Toronto.
Porcupine Southern Mining Co.	700,000..	John C. Hicks.....	New York.
Porcupine Success Gold Mines, Ltd.	1,500,000..	S. R. Clarke.....	Toronto.
Porcupine Tisdale Mining Co., Ltd.	999,990..	W. B. Gunton.....	Cobalt.
Porcupine Townsite Mines..	900,000..	George Gouinlock...	Toronto.
Porcupine Union Mines.....	1,000,000..	A. M. Gillies.....	Toronto.
Portisdale Gold Mines, Ltd..	500,000..	H. W. Johnson.....	Chicago.
Preston East Dome Mines..	2,500,000..	E. G. Germer.....	Toronto.
Rea Consolidated Gold Mines, Ltd.	900,000..	C. P. Hill.....	Toronto.
Royal Porcupine Gold Mines Co.	2,200,000..	James Kennedy.....	New York.
Smith Vet Mines, Ltd.....	2,000,000..	W. S. Edwards.....	Toronto.
Standard Gold Mines, Ltd...	1,375,000..	T. O. Lyall.....	Haileybury.
Tisdale Gold Mining Co., Ltd.	2,500,000..	F. C. Armstrong....	Porcupine.
United Porcupine Gold Mines, Ltd.....	1,000,000..	B. P. Foster.....	Toronto.
West Dome Mines, Ltd.....	2,582,525..	Sir H. M. Pellatt...	Toronto.

The record in Cobalt for 1911 was one of steady progress with no further room for doubt and with little public desire for pyrotechnical advertising or slap-dash speculation. The total production of the District in 1904-11 was $64,518,752 with $16,100,000 (an increase of $600,000) as the product in 1911. This latter figure included small values in crude Cobalt-nickel, etc., and the output of two properties at Gowganda and two in South Lorrain. There were seven mines which each produced over 1,500,000 ounces or more of silver and in order of production they were as follows: Nipissing, 4,627,043; La Rose, 4,090,157; Crown Reserve, 3,439,902; Coniagas, 3,273,464; McKinley-Darragh, 2,551,884; Kerr Lake, 2,238,353; Buffalo, 1,644,245. Three other mines produced over a million ounces each. The total output in ounces for 1911 was 31,507,791 and the shipments of bullion from Cobalt increased greatly during the year owing to the operations of the Refinery at the Nipissing Mine. The process employed by this Company was interesting and has

been described as a combination of amalgamation and cyanidation.

The extension of the concentration process generally brought about a change in the character of the shipments and instead of chiefly low-grade ore being shipped there was a large quantity of high grade concentrates included. That the silver was produced at a very low cost was shown by the annual report of the Coniagas, which produced metal throughout 1911 at an average total cost of 8·8 cents an ounce, which figure included mining, concentrating, freight to smelter, sampling, assaying and treatment charges with all head office expenses and royalties. The shipments of the Cobalt District (including Gowganda, Elk Lake, and South Lorrain) totalled 139,065 tons of 2,000 lbs. up to the end of 1911. In the value of bullion shipments during the year the Nipissing Mines came first with a product valued at $1,268,495; the Nova Scotia shipped $277,769 worth, the O'Brien $146,527, the Temiskaming $46,286, the Crown Reserve $192,125 and the Buffalo $52,008; 16 other mines each shipped small quantities. The average price of silver for the year was 53½ cents. Dividends were paid by 13 Mines as well as by four private corporations whose profits did not nominally take that form. The total dividends—excluding the latter—paid since the Camp started operations in 1905 were $31,671,622 to the end of 1911. To the end of 1910 they totalled $21,802,179—the particulars of the chief mines being as follows:

Name of Company.	Date of Incorporation.	Capital Stock Issued.	Amount of Dividends and Bonuses declared during 1910.	Total of Dividends and Bonuses declared to Dec. 31, 1910.
Buffalo Mines, Limited	Apr. 27, 1906	$1,000,000	$370,000.00	$1,007,000.00
Coniagas Mines, Limited	Nov. 26, 1906	4,000,000	240,000.00	1,400,000.00
Crown Reserve Mining Company, Limited	Jan. 16, 1907	1,999,956	1,061,288.40	2,653,221.00
Foster Cobalt Mining Company, Limited	Feb. 14, 1906	915,588	.....	45,000.00
Kerr Lake Mining Company, Limited	Aug. 15, 1905	40,000	1,368,000.00	2,958,000.00
La Rose Mines, Limited	Feb. 21, 1907	6,000,000	630,000.00	2,045,000.00
McKinley-Darragh-Savage Mines of Cobalt	Apr. 17, 1906	2,247,692	561,879.50	1,145,309.48
Nipissing Mining Company, Limited	Dec. 16, 1904	250,000	2,127,500.00	6,482,500.00
Temiskaming and Hudson Bay Mining Company	July 29, 1903	7,761	162,981.00	1,334,892.00
Temiskaming Mining Company, Limited	Nov. 16, 1906 / Jan. 1, 1908	2,500,000	275,000.00	784,156.25
Trethewey Silver Cobalt Mine, Limited	May 30, 1906	1,000,000	200,000.00	661,998.50

During the year 15 mills were in operation and the concentration process had developed into a most important factor with the milling of 381,870 tons. The Hudson Bay concentrator opened in March and others were under construction for the Beaver and Nipissing Companies; cyanidation was used in the O'Brien and Buffalo mills and a combination of cyanidation and amalgamation in the Nova Scotia. Of the tons milled the Buffalo

Company was responsible for 43,930 tons, the Coniagas for 53,150, the Hudson Bay for 18,294, the King Edward for 12,019, the McKinley-Darragh for 46,497, the Nipissing Reduction for 14,766, the Northern Customs for 55,624, the Temiskaming for 34,720, and the Trethewey for 30,925 tons. The total capacity of the Cobalt mills was 1,555 tons daily. The smelter condition in this District did not change greatly during 1911. Of the tonnage treated in Canada the total was 8,746, or 34·02 per cent. and in the United States 16,745 or 65·13 per cent. with 218 tons shipped to Germany. During the early part of the year there was much trouble in producing power for the Mining Companies owing to climatic conditions and this caused a recurrence to steam operating for a time. The total import of coal was 44,216 tons as against 52,861 in 1910 and 105,416 tons in 1911.

Toward the close of the year the Cobalt Power Co. and the Cobalt-Hydraulic Co. consolidated forces and thus effected marked economies in production. According to Arthur A. Cole, in a valuable Report to the T. & N. O. Commission, the food supplies of the Cobalt mines in 1911 cost $485,593 or $160.79 each for 3,020 men. This did not include the Gowganda, Elk Lake, South Lorrain, Porcupine, Swastika, Munro and Larder Lake Mines. It may be added here that the Silver production of the world* in 1910 was 217,788,714 fine ounces and that Mexico came first with 72,574,000, the United States second with 56,438,000, and Canada third with 32,878,000 ounces—all South America providing 16 millions and Europe 14 millions.

Incidents of the year included the decision of the Lorne-McGibbon controlling influence in La Rose—in which the value of ore in transit, at smelters and stacked at the Mines, with cash in Bank, rose from $382,638 on Jan. 1, 1910, to $1,492,849 on Oct. 2nd, 1911—not to distribute its surplus but to maintain a conservative attitude in dividend matters; the marked decrease of public gambling in Cobalt paper-stocks and an increase of transactions in dividend-paying shares; the dividend record of the Temiskaming and Hudson Bay which was 300 per cent. in 1905, 3,500 per cent. in 1908 and a total of 19,000 per cent. up to Nov. 13, 1911, when $1,474,590 had been paid upon an issued stock of $7,761; the Report of the Coniagas Mines, Ltd., on Dec. 18, 1911, stating that "the Engineers' report, based on careful surveys and sampling, show ore in sight containing 12,516,000 ounces of silver, enough to keep the Mine working on past year's rate of production for over three years"; the Nipissing Mines Co. statement (Dec. 31) that its ore reserves were increased during the year by $1,300,000 to a total of $4,572,000; the payment of $1,440,000 in dividends by the Coniagas Mine in 1911 and of $627,000 by La Rose; the annual statement of the Trethewey-

* NOTE.—Ontario Bureau of Mines Report, 1911.

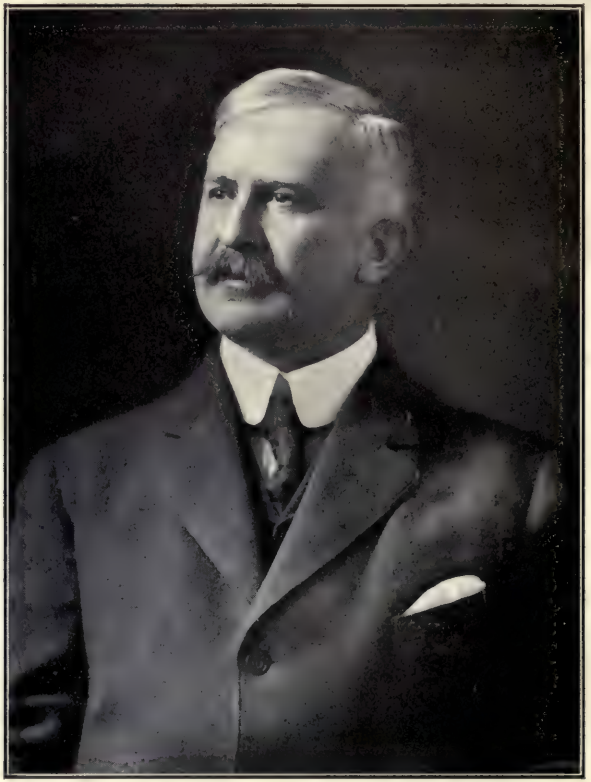
Silver Cobalt Mine, Ltd., showing a net profit of $932,961 in five years operation and dividends paid of $761,998; the development of the Cobalt Lake Mining Co., Ltd., from working at a loss to a credit balance with ore reserves of $1,425,590; the fact that in six years, 1905-1910, the number of Companies incorporated in the Cobalt district was 1,311 with an aggregate authorized capital of $1,021,470,800—of which perhaps $10,000,000 was put into practical development work but out of which promoters, some Directors and many brokers made large profits. One important development of 1911 was described by the *Canadian Mining Journal* as follows: "All the big dividend-paying mines of the camp have been content to make their profits out of nothing less than 30-ounce ore and allow the lower grade to remain on the dumps or in the stopes. This year the experiments at the Nipissing and the Nova Scotia, in every way successful, to amalgamate and afterwards cyanide the tailings has rendered the treatment of 15-ounce ore remunerative." The Casey-Cobalt Mining Co. and the Cobalt-Townsite Co. came to the front as producers toward the close of the year and on Dec. 15 the London *Times*, for the first time since the Camp commenced, noticed one of its developments and announced regularly the shipments of Cobalt-Townsite. Further particulars of the chief Cobalt Companies during 1911 were as follows:

Name.	Paid-up Capital or Shares Issued.	President.	Headquarters.
Beaver Consolidated Mine, Ltd.	$1,996,490	Frank L. Culver	Toronto.
Buffalo Mines, Ltd	1,000,000	Charles L. Denison	Fort Erie.
City of Cobalt Mining Co., Ltd.	1,500,000	R. T. Shillington	Cobalt.
Cobalt Lake Mining Co., Ltd.	3,304,051	Sir H. M. Pellatt	Toronto.
The Coniagas Mines, Ltd	4,000,000	R. W. Leonard	St. Catharines.
Crown Reserve Mining Co., Ltd.	1,999,957	Lt.-Col. John Carson	Montreal.
La Rose Consolidated Mines	7,493,135	D. Lorne McGibbon	Montreal.
McKinley-Darragh Savage Mines of Cobalt, Ltd	2,248,692	C. A. Masten	Toronto.
Nipissing Mines Company	6,000,000	E. P. Earle	New York.
Nova Scotia Silver Cobalt Mining Co., Ltd	2,500,000	D. M. Steindler	Montreal.
Right of Way Mines, Ltd	1,685,500	George Goodwin	Ottawa.
Temiskaming Mining Co., Ltd.	2,499,171	Burr E. Cartwright	Toronto.
Trethewey Silver Cobalt Mine.	1,000,000	Col. A. M. Hay	Toronto.
Chambers-Ferland Mining Co.	2,312,857	W. C. Chambers	Toronto.
Kerr Lake Mining Co. of New York	3,000,000	Edward Steindler	New York.

The Whitney Government in 1911; Ontario Politics and Legislation

Sir James Whitney during this year continued as the head of a forceful and successful administration. Personally his well-known characteristics of directness in expression and honesty of purpose appeared to grow in public esteem as the years went by. On Jan. 20 a delegation of 200 representatives of various organizations, headed by Lieut.-Col. W. Hamilton Merritt waited upon the Premier and asked for Government aid in the erection of a suitable memorial to the British and Canadian soldiers who had lost their lives in the War of 1812. Sir James, while expressing the opinion that these men had saved Canada for its people and the Empire asked for a concrete proposition. Nothing definite was done in the matter, however,

THE HON. JAMES ALEXANDER LOUGHEED, K.C.
Senator of Canada and Minister without Portfolio.



THE HON. ALBERT EDWARD KEMP, M.P.
Minister without Portfolio.

In the new Borden Government, 1911.

owing—to some extent at least—to the existence of Memorials on all the chief battlefields of that period. On the same day the Dominion Trades and Labour Congress, through Robert Glockling and a considerable deputation, presented a series of suggestions to the Government in a manner which evoked complimentary references from the Premier.

Amongst the proposals submitted was a request that the age-limit of children working in factories be raised from 14 to 16 years; that clothing made in sweat shops should be inspected for sanitary reasons; that the running board on open street cars and the hand-brakes should be abolished and that the vestibules for conductors should be heated; that bar-tenders should be protected because they were often fined for selling liquor when the liquor was sold by other clerks or hostlers; that better systems for heating foundries should be established as many moulders died from consumption owing to the extremes of heat and cold to which they were exposed; that the single tax be adopted by removing the tax on improvements and that the adoption of a weekly payment system by all industrial concerns be made compulsory. It was proposed, also, that when industrial concerns were operated for 24 hours, continuously, there should be three shifts, the men to work eight hours each; and that all Chinese laundries should be brought under the Factories Act. Careful consideration was promised. Another delegation waiting upon the Government at this time was a large one from the North—Elk Lake and Gowganda—which vehemently urged the building of a branch line of the T. & N. O. 40 miles into their mining country. Strong arguments were presented to the Premier and Mr. Cochrane but, eventually, it was thought that the Porcupine region had the first call and construction was rushed in that direction.

The Prohibition issue was one which the Government had to face in this as in preceding years. The licenses issued in the year ending Apl. 30, 1911, were 1,967 in number as compared with 2,244 in 1909-10 and 2,745 in 1905-6; the commitments for drunkenness in 1910-11 were 5,802 as compared with 5,291 in 1909-10 and with an average of 4,974 in the years 1906 to 1910, inclusive. At the beginning of 1911 instructions were given by Hon. W. J. Hanna, Provincial Secretary, to the License Inspectors of the Province in cities, towns, villages and townships, to ascertain from the holders of hotel licenses the average daily bar receipts during the past year with maximum and minimum daily returns so far as possible. Legislation afterwards followed. Meanwhile, the Ontario Branch of the Dominion Alliance fought vigorously for Local Option and in the contest of Jan. 2nd, 1911, 26 Municipalities carried this policy of local prohibition, 30 defeated the proposal through the Government's requirement of three-fifths or 60 per cent. majority for Local Option, 25 gave a decisive majority against it. Since 1904 573 municipalities had voted on this issue with a total of 184,991

votes for Local Option and 134,427 against, with victory in 281 places, defeat in 177 owing to the three-fifths requirement, and in 121 owing to a majority against the policy.

On Feb. 3rd the Ontario Alliance issued a Protest signed by Rev. B. H. Spence, Secretary, and Joseph Gibson, President, against the three-fifths Clause. It was claimed that this was not needed to ensure permanence in the vote because in 134 municipalities where Local Option had been in force long enough to permit of another vote—with 76 coming under the simple majority principle which was in operation prior to 1906—the Liquor traffic had only been able, on Jan. 2nd, 1911, to bring on three repeal contests and in all of these Local Option had been sustained. The Clause was described as "a blot upon the statute book" and everyone was urged to work for its abrogation. The Alliance met in Convention at Toronto on Feb. 15-16 and the President, Mr. B. H. Spence, and others, were vigorous in their denunciation of the Government in this connection. Mr. Spence admitted that the legislation of the Whitney Government had been "splendid" legislation but it had been along the lines of perfecting machinery and not of "restriction." On the other hand he was explicit as to the Opposition whose policy was denounced as treacherous. It was to him a case of Liberal treachery and Conservative trickery. His policy was to put men into the Legislature who would work for Local Option first, last, and all the time.

With these and similar speeches ringing in their ears the Alliance again waited upon Sir James Whitney and Mr. Hanna. Mr. Gibson presented their desire for abolition of the three-fifths requirement and G. H. Roberts, of the Quebec Alliance, described the situation in a Province where there was no such clause and where the Roman Catholic Church did work for Temperance which others might well emulate. In his reply the Premier was interrupted by angry interjections and rude remarks. He described Provincial prohibition as impossible, declared the clause in question as fair to both sides, as based upon the necessity for a large majority in order to ensure law enforcement, as preventing undesirable and frequent changes and promoting permanence in a change once made. The Hon. Mr. Hanna pointed to the Government's legislation along Temperance lines and referred to the compelling of Municipal Councils to submit Local Option by-laws when properly urged, to the Act keeping women and children out of bars, and to the law keeping those under 21 from going behind the bars. No encouragement was given to any repeal of the "Three-Fifths." On Nov. 26th in 100 pulpits of Toronto sermons were preached in favour of a "Banish the Bar" policy. A few days before this the Ontario Sons of Temperance (Nov. 16), meeting in Toronto, deprecated the Government receipt of money from licenses but added:

We highly approve of the recent amendment to the Act enabling 10 per cent. of the ratepayers of any city to submit a By-law reducing the number of licenses, and strongly endorse the amendment authorizing any officer of the law to seize baggage which he believes to contain liquor for sale in contravention of the Act. We heartily approve of the amendment preventing non-residents from voting in Local Option contests, as well as that regulating the sale of alcohol by druggists. We are strongly opposed to the three-fifths clause. We believe it to be most ridiculous to wipe out bars and establish Clubs and we protest to the Provincial Secretary against all liquor licenses to Clubs in Ontario.

Turning to other matters it may be said that Sir James Whitney was understood in April to have declined a seat upon the Board of the new Banque Internationale du Canada. Later on the Premier visited England for the Coronation and also devoted much attention to the Government's Offices in London and the Emigration work of N. B. Colcock. Speaking to *The News* on his return (July 18) Sir James said in this connection: "Five years from now we're going to have a thickly-settled country up in Northern Ontario. This Province is going to get a splendid share of British emigration, henceforth, because people are beginning to realize the opportunities of Ontario. I look forward to seeing Northern Ontario rapidly fill up with an agricultural population." In the *Canadian Gazette* of Sept. 21 Mr. Colcock stated that his Office had sent 1,597 men and women in the year ending Oct. 31, 1910, and to the period ending Sept. 13, 1911, 4,146 more. He estimated the first group to have taken $600,000 with them and the second $1,500,000. The Premier on Sept. 25 laid the corner-stone of the Administration Building which was to form the centre of a group of buildings (at a cost of $637,000) and to constitute the new Central Prison and Provincial Farm near Guelph. To this plan the Hon. W. J. Hanna had devoted much time and thought and a very representative gathering was present. Sir James in his speech described the scheme as a common-sense treatment of criminals guilty of minor offences.

On Nov. 28 the Provincial Government welcomed H.R.H. the Duke of Connaught to Toronto with fitting ceremony and an Address, signed by Sir J. P. Whitney, as Prime Minister, said: "It is the good fortune of the Canadian people to exhibit to the world the spectacle of a free, contented and flourishing community proclaiming upon this new continent the merits of the British monarchical system with its happy blending of perfect liberty and respect for constituted authority. The Crown is the link that binds us inseparably to the ideals, the history, and the achievements of our Mother Land. In the person of Your Royal Highness we are glad to render homage to the Throne which is at once the symbol and the seal of our Imperial unity." An incident of the year was the publication of a valuable Report on Highway Improvement in Ontario prepared by W. A. McLean and issued by the Department of Public Works. In it Mr. McLean explained

the Road improvements and operations of the other Provinces and of Great Britain, stated that 17 Counties were now under the Highway Improvement Act in Ontario, and explained the operation of the law. It provided for the establishment of County systems of highways, to be aided by the Provincial Government to the extent of one-third of the cost of construction. These roads were to be built in a permanent manner, the work being in charge of a superintendent or engineer appointed by the County. At the end of each year the County Treasurer transmitted to the Provincial Highways Department a statement of the County road expenditure, including bridges. One-third of this amount was then paid to the County through the Provincial Treasurer. The work was to be carried on from year to year by the County and annual payments made by the Province till the system was constructed in a durable manner.

The final Report of the 1909-11 Game and Fisheries Commission of Ontario appeared at the close of the year and proved to be an interesting document. Prepared by the Commissioner, A. Kelly Evans, it dealt with the depletion of the Fisheries, the best methods of rehabilitation, the nature of the commercial and sporting fishes, the Provincial Forest Reserves and the Forestry question, the preservation of game and fur-bearing animals. He stated that the average yearly catch of whitefish in the Canadian waters of Lake Superior, Lake Huron, Georgian Bay and Lake Ontario was 4,606,000 in 1892-1906, 2,226,000 in 1897-1901 and 2,174,000 in 1902-1906; reviewed what had been done by Governments, legislation, and organizations, to meet the difficulty in both United States and Canadian waters; dealt with the conditions involved in management, control and operation of the Fisheries, Forests, and Game, of the Province and made many detailed recommendations of which the fundamental one was a complete and immediate re-organization of the Fisheries and Game Protective services of Ontario along lines carefully elaborated; and with this conclusion:

> **An increased expenditure is inevitable if the conservation, even the perpetuation, of fisheries, fur-bearing animals and game is to be achieved, but the economic importance of these resources is so infinitely great that to permit of their annihilation for the sake of effecting a paltry saving in the annual disbursements for their protection cannot but be adjudged the height of economic improvidence. The situation is bad to-day; in a few years if matters are not, meanwhile, improved, it must inevitably be worse, if not altogether irreparable. Surely then it must be the part of wisdom to take time by the forelock and introduce the reforms which are so vital to the conservation of these resources before it shall have become already too late.**

The 5th Report of the Ontario Railway and Municipal Board was published in 1911. Signed by James Leitch (Chairman), A. B. Ingram and H. N. Kittson, it dealt with the business of 1910 and showed 274 formal applications to the Board for hear-

ings and many informal ones for advice, direction, etc. Sessions were held in 11 Ontario centres, besides Toronto, and the jurisdiction over the 460 Telephone systems of the Province was assumed during the year. Sixty-six municipalities were stated to have water-works under public control with $19,600,000 of an investment, $6,295,000 of a net Debt and $1,448,000 annual income. This Board came in for some public discussion during the year. On Jan. 19th it dealt in a limited way, and not unanimously, with the controversies between the Toronto Street Railway and the City. The Commissioners agreed that the Company should change all its winter cars into Pay-as-You-Enter cars within 18 months; that the use of trailers should be continued and that smoking compartments need not be provided. They disagreed in the matter of the number of doors at the rear-end of such cars. Questions of law were sent to the Court of Appeal. In another matter dealing with the application of the Toronto York Radial Railway for approval of its plans as to switches and to the double-tracking of part of its line at North Toronto, Mr. Leitch not only refused to act, as Chairman, upon the majority decision of his colleagues in favour of the application, but stated over his own signature (Oct. 13) that the latter had "misconceived their function." Some Liberal criticism arose in this matter and, on Oct. 18, Sir James Whitney made a statement as to the valuable work of the Board, pointed out that only one reversal on appeal had occurred from 40 or 50 judgments and implied that the above decision had been improperly given the press. According to the Toronto *Star* he added that "some re-organization of the Board may be necessary."

There was only one change in the Government during the year and that was caused by the translation of Hon. Frank Cochrane, Minister of Lands, Forests, and Mines, to Ottawa. The press was prompt in suggesting names for the coming vacancy and R. R. Gamey, M.L.A., of Manitoulin, W. H. Hearst, M.L.A., of Sault Ste. Marie, and H. A. C. Machin, M.L.A., of Kenora, were amongst those mentioned—it being taken for granted that the nominee would come from New Ontario. On Oct. 12th William Howard Hearst, K.C., was sworn in as Minister. He had been for three years Government Agent in connection with the Lake Superior Loan (1905-8) and since the latter year had sat in the Legislature for Sault Ste. Marie. In honour of his appointment a notable banquet was given the new Minister of Lands on Nov. 2nd by 350 representative people of the northern country and of his home town. It may be added that during the absence of the Lieut.-Governor, Chief Justice Sir Charles Moss was, on May 24, sworn in as Administrator of the Province. A new Provincial Board of Health was constituted by Order-in-Council on Jan. 27th with Dr. Adam Wright as Chairman and the following members: Dr. David B. Bentley of Sarnia; Dr. George Clinton of Belleville;

Dr. W. H. Howey of Sudbury; Dr. Paul J. Maloney of Cornwall; Dr. James Roberts of Hamilton and Dr. J. W. S. McCullough. It replaced the Board appointed in 1906. The following were the chief public appointments of the year in Ontario:

Crown Attorney of York	Richard H. Greer, K.C.	Toronto.
Crown Attorney of Nipissing	Thomas E. McKee	North Bay.
Police Magistrate	Joseph C. Judd, K.C.	London.
Registrar of County of York	Arthur F. Wallis	Toronto.
Secretary of the Provincial Bureau of Labour	Robert Edgar	Toronto.
Superintendent of the General Hospital	Dr. C. K. Clarke	Toronto.
Registrar of the County of Middlesex	Joseph H. Marshall	London.
Police Magistrate of Porcupine	T. E. Godson, K.C.	Bracebridge.
Police Magistrate of Matheson and District	John A. Hough	Matheson.
Police Magistrate of Elk Lake and District	Charles M. McCarthy	Elk Lake.
Registrar of Thunder Bay District	Thomas S. T. Smellie	Fort William.
Sheriff of Leeds and Grenville	James A. McCammon, M.D.	Gananoque.
Police Magistrate of the County of York	John A. Ramsden	Toronto.
Police Magistrate	Edwin H. Shepherd	Niagara.
Registrar of Carleton County	Horace Pratt	Ottawa.
Police Magistrate	Thomas D. Stanley	St. Mary's.
Director of the Provincial Museum	Dr. Richard B. Orr	Toronto.
Registrar of the County of Wellington	Henry Hortop	Eramosa.
Police Magistrate of Nipissing, Sudbury, and Algoma	Robert J. Renison	Moose Factory.
Registrar of North Wellington	James Tucker	Bosworth.
Police Magistrate for Township of Tisdale	Thomas H. Torrance	South Porcupine.
Commissioner of Juvenile Court	Rev. J. E. Starr	Toronto.
Commissioner for Revision of Statutes	George F. Harman, K.C.	Toronto.
Inspector of Insurance and Registrar of Friendly Societies and Loan Companies	Arthur R. Boswell, K.C.	Toronto.

The Third and last Session of the 12th Legislature of Ontario was opened by the Lieut.-Governor (Colonel J. M. Gibson, K.C.) on Jan. 24th in a Speech from the Throne which first referred to the demise of King Edward VII. and the accession of King George the Fifth; mentioned the bountiful harvest and prosperity of the people, the additions and improvements to the Parliament Buildings, and the plans for a new Government House suitable for state functions; stated that prison labour had been usefully employed in the construction of roads in the Porcupine and that work was proceeding satisfactorily at the Central Prison Farm near Guelph; suggested an appropriation for Technical and Industrial Education and the acquisition of certain titles to 350 square miles of timber limits in Algonquin National Park; estimated the discoveries of gold in the Porcupine region as promising "richness and permanency" and stated that the T. & N. O. Railway was now completed to Cochrane, on the line of the Grand Trunk Pacific, 250 miles from North Bay; referred to the construction of a branch line to Porcupine and the completion of the construction work of the Hydro-Electric Commission; described the good prices for farm products, the rapidly-increasing home

markets, " the almost unprecedented prosperity " of the farmers and the Government's efforts to make agriculture still more remunerative and attractive; referred to the increasing immigration and the importance of the practical demonstrations carried on in Live-stock, dairying, fruit-growing, etc., by the district representatives of the Department of Agriculture.

The adoption of the Address was moved by A. C. Pratt of South Norfolk and James Torrance of South Perth. During a brief debate on the 26th Mr. A. G. MacKay, Opposition Leader, suggested that the proceeds of prison labour should be expended, in part, on the support of those depending upon the prisoners; urged the appointment of a Commission to ascertain facts and information regarding Technical and Industrial training in the Province; pleaded the claims of children in the rural schools and urged that they be looked after " as well as town children " and declared the Government to be " floundering and blundering " in the matter; described the Government policy in securing rights of way for the Hydro-Electric Commission as " inequitable and unfair "; wanted a more practical and comprehensive scheme of reforestration; denounced an alleged laxity in the administration of the Provincial laws and described scoundrels as going " unwhipt of justice." The Premier replied, briefly, declaring that one of the chief reasons why Mr. MacKay was now in Opposition was the refusal of his one-time Government to prosecute the " villains and scoundrels " who worked for it in various constituencies. The Government had the utmost confidence in the Attorney-General's management of his Department; the scarcity of teachers was due to prosperity and the demand for high class labour; four new Normal Schools had been constructed and they were all full of pupils. The Address passed without division.

During the ensuing Session the Government, with its majority of 87 supporters to 18 Liberal opponents and one Independent, passed such legislation as it proposed with comparative ease. Measures were passed for continuing and extending the work of the Department of Agriculture (Hon. J. S. Duff) in giving practical demonstrations throughout the Province; for inaugurating in connection with the schools (Hon. R. A. Pyne) a system of technical, commercial, agricultural and industrial education; for compelling the surrender (Hon. A. J. Matheson) of certain timber rights held by lumbermen in the Algonquin Reserve and to enable County Councils to promote reforestration; for providing greater safeguards (Hon. J. S. Duff) against the sale of milk obtained from unclean sources, and compelling a municipal standard of a certain percentage with strict provisions against adulteration; for exercising closer supervision over moving-picture theatres (Hon. A. J. Matheson) and appointing a Board of Censors charged with this duty and fixing a minimum age at which children could attend such shows; for amending the Liquor

License Act (Hon. W. J. Hanna) so as to restrict the right to vote on Local Option to actual residents in the Municipalities affected and to provide for the greater efficiency of the administration of the law; for the better protection of workmen employed on scaffolding (Sir J. P. Whitney), the supervision of laundries, the regulation of travelling circuses and shows and provision of proper egress from public buildings, the prevention of the granting of exclusive franchises by municipalities; for an increase in the indemnity of the members from $1,000 to $1,400 (provided in the Supplementary estimates); for amending the Act relating to Toronto and its Street Railway interests (W. K. McNaught) so as to provide various safeguards and conditions in the event of the Railway introducing the Pay-as-You-Enter system.

As to the indemnity increase the Premier on Jan. 31st assumed full responsibility. There had been no petitions, etc. "We intend to increase the indemnity of the members owing to the conditions which surround them," said the Prime Minister, "and because we think the time is proper for such an increase. Since this Government has come into power we have increased the salaries paid to the Ministers of the Crown, and civil servants." The subject was discussed on Feb. 6 when W. F. Nickle, K.C. (Cons.) opposed the increased indemnity because he thought it should not be voted upon at the end of a term of the Legislature and he moved that the item should be struck out of the estimates. He was supported by James McEwing (Lib.), Valentine Stock (Lib.), and A. Studholme (Lab.), but the rest of the House opposed the motion and disposed of it. A most important measure was that of the Hon. Dr. Pyne dealing with Industrial Education and marking the first serious attempt of the Province to handle this problem.

The Minister of Education explained its terms in the House on Feb. 27th. The Government proposed to provide machinery by which the municipalities would be able to establish and maintain the kind of Technical School that seemed best suited to the needs of each locality. The initiative was to rest with the local Board of Education, as it did in the establishment of Public, Continuation, and High Schools. The Government, on its part, would extend to the new institution similar financial aid to that accorded the older schools, fix the standards, provide a centre for the training of teachers and, if need be, search other countries where the system had been developed for the instructors required at the outset. For the preliminary work and for the salary of a Director, the sum of $20,000 was provided. The Bill authorized any urban Board to establish general industrial schools, special industrial schools, technical high schools, co-operative and industrial schools, and schools of instruction in fine and applied arts, industrial and technical and evening art schools. The money grants were to be

apportioned according to the number of pupils, the equipment, and the teachers' qualifications.

Another important measure was Sir James Whitney's Protection on Buildings Bill which practically met the requests, in that respect, of the Labour Congress and provided various minute safeguards together with Inspectors appointed by the Government and paid by the municipalities. The Bill introduced on Mch. 1 by Hon. W. J. Hanna increasing Liquor license fees by an extra 5 per cent. for all receipts above $60 in cities and $50 elsewhere per day was, no doubt, a result of his inquiry earlier in the year as to bar receipts throughout the Province. Mr. Hanna also had a measure consolidating and amending the Local Improvement sections of the Municipal Act prepared after conference with various civic officials. Another revenue measure was presented on the same day by Hon. A. J. Matheson, Provincial Treasurer, which increased the taxation on Railways to an estimated total of $40,000, on Express Companies to about $20,000 and on race tracks by a considerable sum. Colonel Matheson also presented a Bill authorizing the Government to raise $5,500,000 for extensions and improvements on the T. & N. O. Railway and to provide funds should the Government decide to extend Hydro-Electric operations to Windsor.

The Hon. Adam Back carried a measure extending the advantages of cheap electrical power to villages, etc. Dr. Pyne, Minister of Education, was responsible for establishing special classes and medical care in the Schools for mentally-deficient children. An important Bill was carried by W. K. McNaught, with Government approval, which gave the Hydro-Electric Commission jurisdiction over wires, poles, conduits, etc., of private companies as well as of Municipal systems. It was attacked by the Liberals as giving an operating and competing Government body jurisdiction over private competitors. The Act carried by Mr. Cochrane, Minister of Lands, etc., for the protection of "Public interests in the Beds of Navigable Streams" was explained by him on Mch. 17th as an effort on the part of the Government to protect the interests of the people in water-powers which were never granted by the Crown and which were claimed by owners of land on each side of the stream; land which, in many cases, was purchased by speculators for a mere song with the avowed object of securing control of the water-power. The legislation appeared necessary from the decision in the Kenora case where it was held, under British Common Law, that the owners of the land on the banks of a navigable stream owned also to the middle thread of the river. Opponents claimed that there was a sort of unwritten law that to the riparian owners belonged the water-powers opposite their properties and Senator W. C. Edwards

stated (*The Globe,* Mch. 16) that the measure would seriously check a water-power development which was already too slow.

Other legislation of the Session included W. H. Hearst's measure providing for the Government appointment of a Board of Examiners to deal with licenses and certificates for Embalmers; Sir J. P. Whitney's Bill confirming the arrangement between the University of Toronto and the Toronto General Hospital as to a loan of $300,000 by the former for the construction purposes of the latter; Hon. J. J. Foy's measure providing for the maintenance of wives deserted by their husbands—the allowance to be not more than $10 a week. Amongst the measures which did not become law the most important was the Premier's Power Commission Act which proposed to enact that the Ontario Railway Board " may from time to time make orders and regulations as to the construction, operation, protection and inspection of the works, plant, machinery, appliances, and equipment for transmission and distribution of electrical power, by municipal corporations and railway, power, or transmission, companies." A good deal of discussion was evoked, Sir James, himself, was not sure that the time had come to make any transfer of authority from the Hydro-Electric Commission to the Railway Board and, eventually (Feb. 20), it was withdrawn. Allan Studholme's Eight-Hour Bill was also withdrawn; W. D. McPherson's Amendment to the Registry Act and the provision for filing of plans of city suburbs with the Railway Board were partly incorporated with another Bill; W. S. Brewster's measure for the abolition of the property qualification in cities and towns for municipal positions and C. R. McKeown's Bill to abolish the tax exemption of churches, schools, etc., were withdrawn; while J. W. Johnson's proposal to prevent the issue of watered stock by certain companies was defeated on division as was Mr. Studholme's Bill to grant Women's suffrage in the Province.

The Budget Speech was delivered by Hon. A. J. Matheson on Feb. 2nd. During the year ending Oct. 31, 1910, the current revenue had been $8,891,004, the expenditure $8,887,520, the surplus $3,400. This balance might, declared the Treasurer, have been made much larger by a little book-keeping. The receipts were $485,000 above the estimate. In discussing the progress of the T. & N. O. Railway Colonel Matheson dealt with the Reciprocity issue as being likely, in his opinion, to seriously affect its future receipts and the carrying trade with the North. He took credit to the Government for original legislation such as the Hydro-Electric policy; stated that the Succession Duties showed an increase in the 5 years, 1905-9, of $2,750,000 over the previous five years; described a similar increase of $3,000,000 during the same period, in the Crown lands revenue without any large sales of timber limits; mentioned the sale of the Government

House property for $800,000 with $80,000 paid on account and the expenditure of $270,000 on the Parliament Buildings. He concluded as follows: "This Government has for six years governed this Province to the best of its ability. We have encouraged education; we have opened the north country and completed the Temiskaming; we have completed the Hydro-Electric first system—practically completed it—and in every way we have developed this Province. The Province has been prosperous under the *régime* of this party. It has paid its way in every year and at the end of that time—six years—in our statement of Assets and Liabilities we show Assets of $24,500,000 against $22,000,000 of Liabilities. And there is this to say, Sir, that of these Assets of $24,500,000 more than $23,500,000 is interest-bearing."

The debate on the Budget lasted for some time—one suggestion, on Feb. 9, being that of W. D. McPherson, K.C., that a Provincial Commission on the Cost of Living should be appointed. On the 15th it was closed by a speech from A. G. MacKay, K.C., the Opposition Leader, in which much was said of Reciprocity, a detailed claim made that the Treasurer's surplus was one of figures and not of fact and an attack made upon the educational system as administered. After a reply from the Premier also dealing largely with Reciprocity, Mr. MacKay moved a long Resolution declaring that there was an actual deficit of $531,878; urging a proper system of conservation and reforestration in Ontario; deprecating the condition of rural schools with the claim that the cost of education therein had increased 50 per cent. in a few years —with unqualified teachers frequently in charge; urging a vigorous colonization policy in Northern Ontario and regretting laws and regulations alleged to be oppressive to its settlers; deploring the introduction of Federal issues such as Reciprocity but declaring that policy to be a most beneficial one. The Resolution was lost by 80 to 16.

The estimated Receipts for the year ending Oct. 31, 1911, were $8,216,772 although some further amounts would have to be added; the estimated expenditure, with $535,900 on capital account and $118,000 for other purposes, was $7,637,887. The total direct Liabilities of the Province on Oct. 31, 1910, were $22,083,430; on Oct. 31, 1911, they were $24,765,922. The total indirect Liabilities and Guarantees on the former date were $9,260,000; on the latter date they were $9,390,000. The cash and debenture Assets of the Province in 1910 were $24,553,701 and in 1911 $26,936,069. The Assets included Bank balances of $3,177,589 on Oct. 31, 1910, and $1,503,916 on Oct. 31, 1911; with $17,535,662 as the total expended on the T. & N. O. Railway by the Province to date and $4,125,897 on the Niagara Power Transmission Line. The indirect Liabilities included $900,000 of guaranteed Niagara Falls Park bonds and $7,860,000 of Canadian Northern Ontario Railway bonds. The Receipts and Expenditures of 1911 were as follows:

Receipts to October 31, 1911.	
From Dominion of Canada	$2,261,758.28
Interest	132,284.39
Lands, Forests & Mines.	2,710,242.68
Licenses	656,363.66
Law Stamps	104,155.95
Provincial Secretary	323,736.25
Game and Fisheries	130,267.39
Agriculture	147,169.64
Supplementary Revenue Act	854,659.91
Succession Duty	1,050,633.36
Casual Revenue	160,671.21
Public Institutions	274,300.96
T. & N. O. Railway	515,000.00
Miscellaneous	49,590.22
	$9,370,833.90
Balances from 1910	3,177,589.66
Drainage Debentures	26,886.74
Proceeds of Loans	2,680,795.08
Sale of Central Prison, etc.	89,840.00
Sundries	61,179.44
Total Receipts	$15,407,124.82

Expenditures to October 31, 1911.	
Civil Government	$602,528.24
Legislation	275,959.77
Administration of Justice	653,383.69
Education	1,885,739.57
Public Institutions Maintenance	1,197,726.38
Colonization and Immigration	106,906.61
Agriculture	680,101.17
Hospitals and Charities	357,849.12
Repairs and Maintenance	199,511.59
Colonization Roads	451,111.26
Charges Crown Lands	617,111.98
Miscellaneous Services	252,953.53
Hydro-Electric Power Commission	91,302.43
Public Buildings	533,823.82
Interest and Charges	763,415.55
Unenumerated Statutory Expenditures	877,077.02
Sundries	73,432.30
	$9,619,934.03
Drainage Debentures	63,673.25
T. & N. O. Advance	1,412,324.00
Good Roads	179,688.26
New Government House	166,227.27
New Provincial Prison	159,920.87
Parliament Buildings	475,401.48
Re Algonquin Park Timber Limits	290,000.00
Niagara Power and Port Arthur transmission	1,358,697.57
Sundries	177,341.10
Balance Forward, 1911	1,503,916.99
Total Expenditures	$15,407,124.82

An interesting analysis of Provincial figures under the Whitney Administration by H. C. Carson, F.S.S.,* gave the Provincial Expenditure under Supply Bill as $5,888,180 in 1906 and $10,257,846 in 1911; the total expenditure as $6,720,179 in the former year and $13,903,207 in the latter year. In the chief items of expenditure (Supply Bill) the increase was as follows: Education, $1,320,922 to $1,885,739 or from 61 cents to 74 cents per head of the population; Agriculture, $432,297 to $680,101 or from 20 cents to 26 cents; Colonization and Immigration, $35,351 to $106,906, or from 1 2-3 cents to 4¼ cents Public Buildings, $368,847 to $1,198,292 or from 17 to 47½ cents; Public Works, $85,117 to $205,239 or from 3⅞ cents to 8 cents; Colonization Roads, $219,559 to $451,111 or from 10¼ to 17¾ cents.

Incidents of the Session included the passage of a Resolution on Jan. 30 thanking the Imperial Government for presenting to the Legislative Library the Journals of Parliament during the past decade with various Historical documents; the anti-Reciprocity Resolution of Sir J. P. Whitney presented to the House on Mch. 10 (dealt with elsewhere in this volume) and Mr. A. G. MacKay's amendment proposed on the 16th which approved the Agreement—defeated by 75 to 17 while the original motion car-

* NOTE.—*Financial Post*, Toronto, Feb. 24, 1912.

ried by 74 to 17; the declaration of J. J. Carrick (Cons.) of Port Arthur on Mch. 1st that the Government had not done enough for education or roads, hospitals or gaols, in Northern Ontario and the Premier's reply stating that over $2,100,000 had been spent there by his Government; the vote of $90,000 for the construction of a new Government House in Northern Rosedale and provision for a total sum of $200,000; the claim of James McEwing (Lib.) in the Toronto *Sun* of Mch. 29th that the Government's cash balance in Banks had gone down from $5,086,283 on Oct. 31st, 1909, to $3,177,589 a year later and that the total estimate of expenditure for 1911 was really $11,188,607. On Mch. 8th the measure of W. Proudfoot, K.C. (Lib.), proposing abolition of the Three-Fifths Local Option clause was discussed and the following amendment proposed by Hon. W. J. Hanna carried upon division:

That it is the duty of the Legislature to take such steps as will minimize the drink evil in this Province; that to this end the provisions of the Liquor License Act relating to Local Option have been enacted and have worked well; that this House has confidence that such changes as experience in the operation of the said provisions may show to be necessary, or desirable, either in relation to the majority necessary to bring the By-law into effect, or in other respects, will, from time to time, be proposed by the Government for the consideration of this House; and that this House accordingly orders that the said Bill be not now read a second time but be read a second time this day six months.

G. Howard Ferguson (Cons.), seconded by R. H. McElroy, precipitated an interesting discussion on Mch. 22nd with a Resolution declaring that "the English language shall be the language of instruction and of all communications with the pupils in Public and Separate Schools of the Province except where, in the opinion of the Department of Education, it is impracticable by reason of pupils not understanding English." Sir J. P. Whitney pointed out that this motion was worded in accordance with the Statute law. "In Ontario there is no such thing as a bi-lingual school, legally speaking. Some reckless journalists have confused the use of the French language for educational purposes with its use as a means of communication." The Government believed English should be the language of instruction in the Public and Separate Schools. But in some cases its exclusive use might be found impracticable, and the Department of Education would decide as to these. Where it was found impracticable the pupils would be instructed in some other language, French or German, or any other. A complete investigation, the Premier went on, was being made by Dr. F. W. Merchant, Chief Inspector. In some parts of the Province he had no doubt the law had been overlooked or forgotten. He added this statement: "If we find any of the abuses which are alleged to have occurred this Government will take steps to abolish them." Damase Racine, a French-

Canadian Liberal, described the Premier's statement as satisfactory and the motion was carried without division. The Session was closed on Mch. 24th after an Address had been passed to H.E. Earl Grey (Mch. 20) expressing regret at his departure, appreciation of his work in Canada, and all best wishes for his future. Other incidents of the year may be summarized as follows:

Jan. 1.—The Report of the Registrar-General (Department of Provincial Secretary) shows in the past year 55,871 births in the Province, 24,036 marriages and 33,539 deaths—a total in the past 12 years, respectively, of 608,292, 238,994, and 373,063.

Jan. 17.—Mr. C. C. James, Deputy Minister of Agriculture, states the expenditure on Agriculture in 1910 at $748,169 and the appropriations for 1911 at $837,907 with $70,732 in capital account.

Mar. 22.—A large Delegation waits upon the Provincial Premier and urges the Government to take up the question of caring for the feeble-minded—especially women who were stated to yearly give birth to 100 more or less feeble-minded infants in this Province.

Mar. 13.—The Conservative members of the Legislature gather at the Albany Club and present a handsome Testimonial to Dr. R. F. Preston, the Party whip, in recognition of his services.

Apl. 19.—The Oxford County "graft" case is ended by M. T. Buchanan pleading guilty and promising restitution.

June 8.—It is stated that Provincial Government regulations enact that none but the British flag will be allowed to fly in the Algonquin National Park.

Sept. 30.—The Report of Dr. R. W. Bruce-Smith, Inspector of Prisons and Public Charities, for the year ending this date, shows 51,177 patients admitted to the Hospitals and 58,098 treated, $180,822 as the Provincial grant and $1,607,518 as the total amount received; 41 City refuges and Houses with 5,992 inmates, a Govment contribution of $83,932 and a total expenditure of $402,839; 31 Orphanages with 4,980 children, a Government grant of $17,643 and total expenditures of $195,929. This work was under the administration of the Provincial Secretary—Hon. W. J. Hanna.

Provincial. Education—Its Progress and Problems

Educational conditions during the year were marked by substantial progress along certain lines. In his annual Report the Minister of Education (Hon. R. A. Pyne) dealt with conditions in 1911 and the statistics of 1910. He was able to say that in the previous five years the expenditure upon primary education alone had risen from $6,100,000 in 1905 to $9,300,000 in 1910. "This satisfactory state of affairs is a good indication of the manner in which the people have realized their responsibilities for the proper education of their children. They have felt that Canada cannot lag behind in a matter of such paramount importance as education. No public money is more wisely spent, and none brings in richer returns to the State than that spent upon the schools. The expansion of Canada in material things would be of little worth if a decline in educational enthusiasm were to accompany it. Fortunately the contrary spirit has asserted itself, and while the record can be dwelt upon with satis-

faction, it should not blind us to the larger necessities of the future."

Normal-trained teachers were steadily replacing those with 3rd class certificates—the latter being gradually restricted to new districts or the poorer counties. The shortage of teachers was still a difficulty caused by the Western demand and by general prosperity. It was being met by compelling students in training schools to pledge their first year's teaching to Ontario and by paying larger salaries—the average rural salary increasing in 1910 by $24 for male teachers and $32 for female and the urban salaries $80 for male and $33 for female. During 1911 there were 1,034 pupils admitted to the Normal and Model Schools of whom 379 were proceeding to the higher-grade certificates. In this connection the Minister pointed out that teaching was no longer a convenient stepping-stone to other professions and urged School Boards to increase salaries wherever possible. He also made a new suggestion: "School Boards might do something by providing residences for teachers and thus present a tangible inducement to adopt teaching as a permanent profession." Other lines of Departmental work were reviewed as follows:

> The new Act of 1911 providing machinery for the establishment of classes for industrial training has already lent stimulus to the movement for what is comprehensively termed 'Technical Education.' In a number of urban centres the Advisory Boards, whose special concern it is to institute and develop these classes, have been set up and the result thus far is eminently encouraging. The appointment of Dr. F. W. Merchant as Director of Industrial and Technical Education will enable a thorough organization and inspection of the work to be made throughout the Province. Without waiting for such encouragement as the Federal authorities may decide to give to Technical training, as part of the duty which the Dominion Government must discharge in respect of national industrial efficiency, the Legislature last year voted an ample sum of money for immediate purposes and will be asked to supplement the grant during the coming year. The agricultural courses established in connection with the High Schools have led to such promising results that a number of new centres have been provided during the year. . . . Another step of equal importance was taken in 1911 in order to promote elementary agricultural instruction in the rural public schools. Professor S. B. McCready, of the Staff of the Ontario Agricultural College at Guelph, has been transferred to this Department and appointed Director of Elementary Agricultural Education. To inspect and encourage the school-garden work connected with the rural schools is one of the duties of the new Director, and the prospect of a general extension of this practical application of agriculture to the school programme, is excellent. There were in 1910 just 17 school-gardens in the Province upon which grants aggregating $750 were paid, while at the close of 1911 the returns showed 83 school-gardens with grants aggregating $2,320.

Special attention was paid to New Ontario and its pioneer activities and difficulties. To quote the Minister again: "The placing of a Normal School at North Bay was designed to supply for the northern schools teachers possessing a knowledge of the country. A Model School with a four months' course of training is also connected with the Normal School at North Bay and, not-

withstanding the natural obstacles which exist in the way of securing an adequate supply of local teachers, the initial progress made is satisfactory. The Legislature has been generous in school grants to the North, and in 1911 the sum of $190,000 was voted and expended in this way. The policy of aiding in the building of schools has been followed, and about $7,000 was advanced, under the Inspector's recommendations, to various sections which would have been unable otherwise to erect buildings."

To return to the question of salaries the average of all male teachers (urban and rural alike) in the Public Schools in 1910 was $711 or an increase of $51.00 and of all female teachers $483 or an increase of $34.00; in the High Schools the average for all teachers, of both sexes, was $1,259 or an increase of $64. There were in 1910 138 Continuation schools doing High School work with 5,917 pupils; there were 6 Protestant Separate schools with 419 enrolled pupils, 187 Kindergartens with 18,943 pupils, and 23 Night Schools with 1,645 pupils. The attendance in all the Elementary schools totalled 459,145 and the total number of teachers with 1st class certificates was 834; 2nd class, 5,511; 3rd, 2,370; miscellaneous, 1,803. The teachers who had attended Normal Schools numbererd 5,743 and the total Legislative grant in 1910 was $805,635. Other statistics were as follows:

Particulars.	Public Schools.	Separate Schools. (R. C.)	High Schools.
Number of Schools in 1910	5,924	484	146
Enrolled Pupils	401,882	57,263	32,612
Average Daily Attendance	242,977	36,381	20,389
Number of Teachers	9,369	1,149	853
Amount Expended on Teachers' Salaries	$4,938,701	$371,338	$1,043,585
Total Amount Expended	$8,238,722	$1,104,480	$1,636,166
Cost per Pupil (enrolled attendance)	$20.50	$19.28	$50.17

The Inspector of Public Libraries, W. R. Nursey, reported some progress during 1911. Eight new Libraries were incorporated and two re-established though a number had to be temporarily closed; the Travelling Libraries increased in their demand for books and in numbers from 208 to 242; there was continuous work upon the cataloguing of the Libraries of the Province and 55 were completed; the total Assets of 131 Free Libraries reported (Dec. 31, 1910) were $2,455,048, Liabilities $219,835, Receipts $310,188, and readers 143,764 with 880,748 volumes in hand and 2,783,439 loaned; 224 Association libraries reported with 463,883 books and 591,847 loaned during the year. The total of all Libraries was 417. In this connection the Ontario Library Association met in Toronto on Apl. 17-18 with A. W. Cameron, B.A., of Woodstock in the chair and addresses from W. R. Nursey and others. Resolutions were passed asking the Ontario Education Department to make it compulsory for school teachers to understand the work of helping and directing children in the choice of books in connection with their studies and the

Dominion Government to appoint a Royal Commission on the establishment of a National Library. L. J. Burpee of the Ottawa Carnegie Library was elected President.

The Ontario Educational Association met in Toronto on Apl. 18-20 and celebrated its 50th anniversary with Dr. F. W. Merchant in the chair, about 800 Delegates present, and a large number of Sections holding separate meetings and discussing a great variety of subjects. Amongst the topics dealt with were the Schools and the Empire (Colonel S. Hughes, M.P.) and Educational Responsibilities; Technical Education in Continuation Schools, the Salaries of Teachers and the Kindergarten programmes; Literature in the Schools and Rapid calculation in figures; the Bible as a Text-Book with a motion in favour of formally authorizing it for instruction which was lost by a small majority; Medical inspection of pupils and the holding of Teachers to contracts; Simplified spelling, the Scotch and Ontario systems of training Teachers, and re-construction of the Rural School system; the teaching of good manners, Personal hygiene, and moral purity, the nature of teaching in England and Household Science instruction in the schools; the question of Commissioners in rural districts instead of elective Trustees.

The new President elected was J. H. Laughton of Parkhill; a Resolution was passed approving a Superannuation scheme which involved the Government's setting aside $60,000 yearly and requiring from teachers three per cent. of all salaries up to $1,000 with a larger percentage above that figure; and one thanking the Government for its new Primers. The Trustees Section also asked the Minister of Education to take the necessary steps to place "personal hygiene and moral purity on the curriculum of studies," and to have treatises on these subjects printed in pamphlet or booklet form for teaching and for reading by the pupils. This Section complimented the Minister upon "the many advances you have made in trying to uplift the Public School to its proper standard, the most commendable one being your efforts to place a professional teacher in every section of the Province." The Presidents of the various Departments or Sections were elected as follows:

Department or Section.	President.	Address.
College and High School Department	W. J. Fenton	Brampton.
Modern Language Section	Miss J. S. Hillock	Toronto.
Natural Science Section	A. P. Gundry	.....
Classical Section	Prof. J. C. Robertson	Toronto.
Mathematical and Physical Section	Prof. W. J. Patterson	London.
English and History Section	Prof. W. L. Grant	Kingston.
Commercial Section	William Ward, B.A.	Toronto.
High School Principals Section	I. M. Levan	Woodstock.
Public School Department	J. W. Rogers, M.A.	Toronto.
Kindergarten Department	Miss Louise Currie	Toronto.
Training Department	D. D. Moshier	Toronto.
Inspectors Department	J. B. McDougall	North Bay.
Trustees Department	Rev. J. R. Bell	Orangeville.
Home Science Section	Miss Laird	Toronto.
Physical Training and Hygiene Section	James W. Barton	Toronto.
Manual Arts Section	Mrs. Helen Mayberry	Stratford.
Continuation Section	N. Willison	Coldwater.

Speaking in Toronto on Aug. 30 Dr. Pyne, Minister of Education, took some credit to himself for the growing public interest in Technical Education. It should be assisted by the Federal Government and not left to the Provincial authorities. "We all hope that the result of the Dominion Commission will be that grants will be given from the Federal Treasury to each Province —and then let each Province work out its own salvation." Meanwhile, on June 1st, the appointment of Dr. F. W. Merchant as Provincial Director of Industrial and Technical Education was announced by the Premier. Dr. Merchant was to remain Inspector of Normal and Model Schools, his successor in the Inspectorate of Public and Separate Schools was to be R. H. Cowley, M.A., while Dr. John Waugh replaced Mr. Cowley as Inspector of Continuation Schools with G. K. Mills, B.A., as an Associate Inspector.

An important and rather sensational issue developed during the year as the result of a statement by Mrs. May R. Thornley, President of the W.C.T.U. of London, before the Ministerial Association of that City on Mch. 20th. She there stated that there were 40 Clubs in London where liquor-drinking, gambling and other vices were practised and added: "The vicious tendencies of to-day start in the Public Schools and Collegiates. In London we are no worse than they are all over the Province but the conditions are terrible to consider. They start in the primaries and run right through our schools." This statement evoked wide criticism and much local indignation. Mayor Beattie issued a statement saying that Mrs. Thornley must either prove or retract her charges and the Chairman of the Local Board of Education emphatically denied the statement. *La Presse* of Montreal (Mch. 30) accepted the assertions as correct; H. Dickinson of Toronto, with 10 years experience in Ontario teaching, stated in *The Globe* of Apl. 5 that Mrs. Thornley was well within the truth in her general statement; Inspector Archibald said to the same paper on Apl. 6th that "hundreds and hundreds of cases of the immorality complained of in London have come to my notice and I have heard some very bad things. It is criminal in the extreme not to educate our children in morals."

There were many letters in the papers and they were largely pessimistic in tone. John Wallis, Principal of the Queen Alexandra School, Toronto, wrote the press at length reviewing the situation which he declared to be worse in localities at one time, than at another, and as growing more outside of than within school limits. *The Globe* of Apr. 17 drew earnest attention to the immoral literature and vile booklets and picture cards which had flooded the country in recent years; Dr. White of Lindsay, President of the Trustees Section of the Educational Association, stated (Apl. 18) that "Immorality is more prevalent in the schools, and consequently out of the schools, than it ought to be" while a deputation led by the Rev. Laurence Skey of Toronto told the Section

a number of important things along the same line. Meantime, Mrs. Thornley's charges were denied (Apl. 4) by a formal Resolution of the London Board of Education after what was stated to have been an investigation; the London W.C.T.U. backed up its President in making these statements and, on Apl. 24, she appeared before the local Ministerial Association and submitted various proofs which the meeting accepted as reliable; on May 26 the Mayor of London was asked by a delegation of citizens for an investigation which he refused to grant: "Let the parents of the boys and girls be taught the responsibility they have for their children. They should be taught morality in the home. Playgrounds should be provided, properly supervised, where the youngsters after they are out of school may be properly looked after. Steps should be taken to prevent them congregating on the streets and, above all, parents should keep the children off the streets at night."

Toronto University made further strides in building construction and in general progress during 1911. The Power plant, the Muesum building, the Pathological building, the Athletic grandstand and improvements, and the splendid new organ in Convocation Hall (costing about $20,000) were well underway or completed; the revenue for the year ending June 30 was $843,876 and the expenditure $777,810; the total Staff of the University and University College numbered 368 including 51 Professors, 50 Associate Professors and the balance teachers, lecturers, demonstrators, etc.; the registration of students in 1910-11 was 4,112 of whom 2,364 were in Arts, 567 in Medicine, 779 in Applied Science, 101 in Household Science, 262 in Faculty of Education and 46 in that of Forestry—3,094 were men and 1,018 women. As to Degrees conferred they were as follows: M.A., 43; LL.B., 13; B.A.Sc., 104; D.D.S., 47; M.B., 148; B.A., 266.

President R. A. Falconer in his annual Report stated that "notwithstanding the generosity of the Government to the University, the Board is endeavouring to do a larger amount of work on a smaller income than is undertaken by almost any other similar institution on the Continent. This will appear from a comparison of Toronto with several of the leading Universities of the United States." He quoted figures which were said to prove that "while the University of Toronto is one of the largest on this Continent, it is receiving less from the Province than any of those that compare with it in size receive from their States, and that the cost per student is lowest in Toronto." He added that the "reports from the various departments indicate that the raising of the standard of matriculation two years ago has been effective in improving the quality of the students. This year the standard has again been raised, and in 1912 the average required on all papers will be 60 per cent. Beyond this average it will not be possible to advance." The stated Assets of the University in

lands, building, investments, etc., were $5,440,343 on June 30, 1911.

Queen's University, Kingston, passed through an important stage in its history during this year. On Jan. 9 J. Macdonald Mowat, R. W. Brock, and other prominent graduates, issued an appeal for the nationalization of the University and abrogation of its technical and historic connection with the Presbyterian Church. The spiritual connection could always be maintained. "One thing is certain; we must end the present state of uncertainty by which our *alma mater* is held suspended in mid-air and can count on support neither from the Church nor the State, neither from Presbyterian or non-Presbyterian." On Apl. 26 a Resolution was carried by the Board of Trustees regarding the removal of denominational restrictions, by a vote of 17 to 4, as follows: "The Trustees have given further effort to reach unanimity; they desire to point out that absolute unanimity is found to be impossible, that a very large majority of the Trustees favour the proposed constitutional changes, and that a recent appeal to the graduates has called forth an overwhelming vote (1,430 to 132) on their part in favour of these changes. The Trustees, therefore, urge that in the interests of the University the conclusions arrived at by the Assembly's Commission should be carried out, and they respectfully ask that the Assembly co-operate with the Board of Trustees in procuring the legislation necessary to give effect to the proposed changes in the constitution of the University."

The final scene in this prolonged discussion occurred in the Presbyterian General Assembly at Ottawa on June 9 when the request of the University Board of Trustees was approved by 132 to 79 and then unanimously. The strongest advocate for separation was Principal D. M. Gordon who presented the report of the Trustees. There was quite a vigorous opposition headed by G. M. Macdonell, K.C., of Kingston, and strong speeches were made on both sides. An alternative motion was also submitted by Rev. Dr. James Ross of London to the effect that the Assembly accede to the request, but that first the Ontario Government be asked to guarantee that the University would be given adequate Provincial support. This motion was disposed of by 35 voting for and 59 against. The new plan of organization included a reconstruction of the Board of Trustees; the separation of the Principal's post from that of Primarius Professor of Divinity and the making of laymen eligible; the creation of a Theological faculty to be called Queen's College, governed mainly by representatives of the General Assembly.*

Following this event the Hon. R. A. Pyne on Oct. 18 opened the new Gordon Hall of the University—a Chemistry building given

*NOTE.—A Measure embodying these and other details passed the 1912 Parliament.

by the Provincial Government; while Dr. James Douglas of New York, a graduate of 1858, a Trustee and the recent donor of $50,000 for a Chair of Colonial History, laid the corner-stone of a Metallurgy building. On Sept. 1, Prof. N. F. Dupuis, after 45 years of service, retired from the University Staff while G. M. Macdonell, K.C., resigned, a little later, his posts of Trustee and Solicitor. It may be added that the University's revenue for the year ending Mch. 31 was $106,853, that the enrolment of students for 1910-11 was 1,612 or 95 more than in the previous year, that the students in the affiliated School of Mining numbered 654 and that Queen's *Quarterly* continued to be a Review of high character.

An educational incident of the year was the retirement of Colonel G. T. Denison from the Chairmanship of the Board of Governors of Upper Canada College after ten years incumbency. Another, of a different kind, was the trial of L. S. Levee, Chairman of the Board of Education of Toronto, charged with having used his official position to further the sale, amongst Principals and teachers, of stock in the T. A. Slocum (Patent Medicine) Co., Ltd., of which he was President, with a report, published on May 11, by Judge Winchester finding him guilty; his refusal to resign the position of Chairman of the Board and the voting down by the Board itself of a Resolution moved by R. D. Fairbairn asking him to vacate his seat or be formally displaced. The sad death of Violet Smith, a young school teacher at Dillon's Point, Parry Sound District, occurred on or about Oct. 19 by suicide—owing, it was said, to loneliness and undue criticism by Trustees and others—and with a deduction by *The Globe* (Oct. 21) that "Canada to-day needs several thousand male teachers more than it needs anything else—men who will make a lifework of their profession, and men by whom the conditions that overwhelmed Violet Smith would be overcome speedily on a physical force basis."

At the 67th annual gathering of Knox College (Apl. 6) Mr. J. K. Macdonald stated that the cost of their new structure in Queen's Park would be $392,629 of which $260,000 had been subscribed and, on Apl. 28, the statement was made at Wycliffe College Commencement that a $250,000 increased endowment was necessary of which $110,000 had been contributed. On Feb. 4th Mr. Justice J. V. Teetzel dismissed without costs the action brought by Morris Shaver on behalf of himself and other ratepayers of the Townships of Russell and Cambridge, in Russell County, for an injunction restraining the local School Board from continuing to have Roman Catholic instruction within their school building. A Resolution had been passed by the Board declaring that the school should close at 3.30 to permit the teaching of the catechism to their pupils. As there were only 8 Protestant pupils on the roll, which included over 100 names, practically all the students remained. His Lordship decided that it was within the power of the Board to arrange the hours as they pleased so long

as they did not shorten them beyond five hours and that the Provincial Act permitted teachers, duly authorized by a religious denomination, to teach the faith and principles of that religion in the school buildings after school hours to those pupils who cared to stay. Six days later an Orange Delegation waited on the Minister of Education and asked that all religious teaching be prohibited in Ontario Public Schools. The Minister replied that the Government had no intention of taking such action but would investigate any infraction of the Regulations.

Hydro-Electric Power Developments of the Year

During the year this important branch of the Whitney Government's policy was brought to the point of inaugurating Electric lighting facilities in some of the most important centres of Western Ontario. The Government had constructed Transmission Lines from Niagara Falls, built by the exercise of Provincial credit and secured by arrangements made through the Hydro-Electric Power Commission with the different Municipalities concerned and it opened up during 1911 a further series of beautifully and bountifully lighted cities and towns. London, Guelph, Berlin, Stratford, St. Mary's, St. Thomas, Toronto, Hamilton, Woodstock, Hespeler, Preston, Waterloo, New Hamburg, Ingersoll, Dundas, Tillsonburg, Weston, Galt, Brampton, Seaforth, Mitchell, Waterdown, Midland, Penetanguishene, Port Arthur and Ottawa were all supplied with Electric power through the Commission by the close of the year—some of it from places other than Niagara.

There was more than mere lighting involved, however. It was claimed that when the extensions of the Hydro-Electric system were completed, a much wider utilization of cheap power and greater economies in production, both in the factory and on the farm, would be possible. With this cheap power, with its geographical situation, with its abundance of natural resources and facilities for transportation by water and by rail, Ontario would be in a position to develop into a hive of manufacturing industry. One of the main factors in promoting this development would, obviously, be the existence of cheap power facilities in the manufacturing centres and in a large number of the towns and villages. It would make not only better lighted and heated municipalities, but by the creation of radial railways would bring the rural population into closer touch with urban centres and make possible some measure of freedom from dependence upon United States coal supplies.

So far, however, as this process had gone in 1911 there was some cheapening in lighting rates but as yet no appreciable influence upon manufacturing development. Many commercial and industrial concerns put off the expense of re-modelling their plants and, in London and Toronto, showed some tendency to continue their contracts with the local competitive organizations. During

the year the Commission's net profit for eight months operation to St. Thomas, Woodstock and Galt was $13,000 and six months profit to Berlin, Guelph and Preston, $23,000. According to figures made public by Hon. Adam Beck, Chairman of the Hydro-Electric Power Commission on Oct. 28, the total estimate for establishing the Niagara Power system was $4,006,927 with $3,515,751 spent to July 31st and $405,416 of further expenditure anticipated. These figures included right-of-way, transmission lines, transfer stations, testing instruments, etc. For the succeeding fiscal year an income of $473,828 from municipalities was expected with a net surplus on operation, while on Jan. 1, 1912, 38 municipalities voted in favour of Power By-laws. For the year ending Mch. 31, 1911, the electrical power generated by the Hydro-Electric Companies at Niagara Falls was as follows:

Company.	Horse-power Generated for Export.	Horse-power Generated for Home Consumption.	Total Output of Generating Station or other source.
Canada Niagara Power Company.	46,194	46,194	48,093
Ontario Power Co.	29,898	29,898	49,881
Electrical Development Co. of Ontario	3,766	3,766	20,785

Meantime the opposition to and discussion of this policy still centred in Toronto and around conditions created between the City—in its proposals to supply Niagara Power to the people through and by means of the Hydro-Electric Commission—and the Toronto Electric Light Co., Ltd., which claimed that competition by a municipality, backed by a Provincial Government and its Legislature, with a private corporate enterprise, was unfair. In this connection an interview recorded in *The Globe* of Mch. 14th, as presenting the views of one in touch with the Civic authorities, stated that " with the introduction of Hydro-electric power into Toronto present rates might be expected to drop from 20 to 33 per cent." The City could only charge what the power actually cost and not with the object of making money. If the City was able to supply power below the Toronto Electric Light Company's prices, the Company would be compelled to meet their prices in order to hold their customers. Whether true or not such views naturally did not commend themselves to Sir Henry Pellatt and other citizens interested in the Electric Light Company.

An extended effort was made upon both sides to avert the expected competition. It was understood that the Company would sell if their terms were reasonably met and on Mch. 10 the Civic Board of Control considered a Report from R. A. Ross, a consulting Engineer of Montreal, to the effect: (1) that the City could afford to pay $125 per share of $100 for the stock of the Company if the latter's contract to purchase all power from the Toronto & Niagara and the Electric Development associated concerns were eliminated or largely restricted; (2) that by such

action, competition, obstruction and the strengthening of influences adverse to the City, would be obviated though by 1915 the City would have to face an investment on the combined plants of $9,500,000; (3) that the Company's shareholders would save the whole or the greater part of their $5,000,000 investment. The Board drafted an offer upon the following basis:

> Paying the present shareholders at the rate of 125 per cent. for their stock holdings, subject to the consent of the Hydro-Electric Commission, and such a re-arrangement of the City's obligation to the Commission and other municipalities as will enable the City to take a maximum of 15,000 horse-power and a minimum of 7,500 horse-power from the Electrical Development Co.; and a re-arrangement of that Company's contract with the Toronto Electric Light Co. so as to limit the liability of the Toronto Electric Light Co. and of its successors, the City to take only a minimum of 7,500 horse-power at the contract rate up to the expiration of the Company's franchise in 1919.

On the same date as this discussion Sir H. M. Pellatt, President of the Company, offered certain information to the Provincial Government in protest against the City's policy and against the measure before the Legislature proposing to make his and other like Companies subject to Hydro-Electric Commission control. Valuations of the Company's physical assets, business, earning powers, etc., were placed before the Government as made by two United States experts and giving a total of $7,500,000 and a value per share of $200; another expert opinion by Alex. Dow of Detroit was also submitted placing the physical assets of the Company at $6,000,000 and the share value at $150. "The agreement between the City and the Company, under which the Company is now carrying on its business, provides that, if in the year 1919, the city desires to acquire all the assets and interests of the Company, it may do so by purchase at a price to be fixed by arbitration. In order to meet the wishes of the City the Company has agreed to forego the balance of its franchise period and to sell out now to the City at a price to be agreed upon by arbitration, as provided in the agreement." Hence the objection to Mr. Ross' valuation and, later on, to the City's offer—which latter was approved by the Council on Mar. 20 subject to submission to the rate-payers should the offer be accepted.

To *The Globe* of Apl. 4th H. P. Dwight, President of the G. N. W. Telegraph Co., stated that had it not been for the competition of the Hydro-Electric Commission the stock of the Toronto Company would be selling at $175. He went on to place the view of certain financial interests very concisely before the public: "It seems a strange proceeding that the City of Toronto should seriously contemplate a project of opposition to its own citizens, who have invested their money in good faith and have carried on the business for more than 20 years, without making the Company such an offer as might be reasonably considered to be satisfactory and without making an offer for the stock on a

similar basis as was done by the British Government when they concluded to go into the Telegraph business in England. The Toronto Electric Light Co. is an 8 per cent. stock and the price to be paid should not be less than $160." The shareholders of the Company met on Apl. 8 and decided to refuse the City's offer. In his address Sir H. M. Pellatt pointed out that the Company's income in the past year had been $1,502,798, expenses $845,599 and profits $657,199. They could not accept the offer " because its terms made them liable for damages in connection with failure to carry out the contracts with the Electrical Development Co. and would certainly embroil the Company in difficulties with those who held their bonds." Another offer was before them by a concern not named but which was understood to be Sir William Mackenzie and the Electrical Development Company interests. " The two offers are entirely different propositions," said Sir Henry. " In the one the City wants to buy the Company for $125 per share and the Company ceases to exist. The second offer of $135 per share is one to take over the stock of the Shareholders, at least two-thirds of it, anyway, and the Company to continue as a going concern in competition with the City."

This latter arrangement—which the shareholders accepted—was an effective stroke for the Mackenzie financial interests. It made a complete system. The Electrical Company generated the electric power in its plant above Niagara Falls. The current was transferred from Niagara Falls to Toronto by the Toronto Power Co. In Toronto it was sold to the consumers, but, principally, to two great concerns—the Toronto Railway Company and the Toronto Electric Light Co. All of these were now in the control of one dominating financial force. Opposed to this financial combination was a combination including the Provincial Government, the Ontario Power Co., which generated the power and supplied it to the Hydro-Electric Commission (a Government concern owning the new Transmission Lines through the Province), and the City of Toronto's Electrical Department as the distributing agency. Mr. H. H. Macrae and others connected with the Electric Light interests told the press at this time that they did not believe the City could effect a serious reduction in rates. Its expenses and original expenditure would prove too great.

The public, however, thought otherwise, as did the Government and on May 2nd welcomed with crowded streets, much cheering and the greatest optimism, the official entry of Hydro-Electric power into the lighting system of Toronto. A splendid array of lamps had by this time been constructed through all the chief streets of the City with a special display system for inaugural purposes in front of the City Hall. There, about 9 o'clock in the evening, gathered Sir James Whitney, the Hon. Adam Beck,

Chairman of the Commission and head and front of the work which had carried the project over all obstacles, the other members of the Government and many others prominently interested in or identified with the undertaking. An immense crowd had assembled and, in addressing them, Mayor G. R. Geary pointed out the inestimable value to the municipality which this enterprise was expected to prove. "There has been no development in modern years which more closely touches the comfort and prosperity of the people of our towns or cities. It is a growing time for Canada. Our manufacturers are menaced constantly by the competition of the United States. We depend upon the United States for our coal and it may easily be imagined that the time is not far distant when, with the natural decrease of their resources, the United States people will prohibit its export." Hence the enormous value of cheap electrical power.

The Premier then said a few words and called Mr. Beck, who came forward and pressed a button, when, to quote a newspaper account, "in an instant the front of the great building blazed with a light so intense and beautiful that the human sea could not repress murmurs of appreciation and delight. The Hall stood there strung with bulbs as a dull-coloured hill is garlanded with spring blossoms, while away down the streets north and south, and east and west, stretched the long lines of cluster lamps, illuminating the darkness with their mellow light." Sir James followed with a few more remarks in which he declared that the Government would never be unjust to or interfere improperly with vested rights, pointed to the expropriation powers of the Railways which they had not imitated, and stated that in Great Britain during six years the Government had in 30 cases taken private property upon which they fixed the compensation and allowed no appeal to the Courts. He described the Hydro-Electric Power Commission as really a sub-Committee of the Government and warmly congratulated its members—Hon. Adam Beck, W. K. McNaught and Hon. J. S. Hendrie. Mr. Beck followed at some length:

The development of the original project has been marvellous. While but thirteen municipalities assumed the large liability and responsibility, the Commission now has contracts with 26 municipalities for the supply of 44,000 horse-power. The Commission has made contracts for and has available 156,000 horse-power to meet the ever increasing demands in all sections of the Province. We have now applications from 62 incorporated villages, which will give an idea of the great growth of the undertaking. The Power policy as it exists to-day is not the work of any one man, Government or municipality. It has grown out of the co-operation of the municipalities, Government and citizens of all parties. Electricity supplied by the Hydro-Electric Commission, because of its cheapness, will in the course of a few years become one of the common commodities of the people. Centralization is the tendency of the time. The Power policy has prevented the exploiting of one of our greatest natural resources, has made electricity available to large and small communities alike, as well to large as small users. And, whether a large or small industry, the

boon of cheap manufacture will assure the retaining to Ontario of industrial supremacy within the Dominion. The success of the whole project is assured beyond the most sanguine anticipations of all interested. The reward to those who have given their time and labour in promoting this greatest undertaking of its kind in the world will be in the fact that the Province will be a better Province to live in, that the burdens of its people will have been lightened and that the comfort which electricity brings will be available to the humblest home in the land.

High tributes were paid by the press to the Government in general and to the Premier and Mr. Beck, in particular, as a result of this further development of their project. *The Globe,* while regretting that compulsory expropriation power over private plants had not been utilized and that the Power Commission had been given so much authority over private citizens and companies, described the undertaking itself as "a great and much-needed one." "For all time the portions of Ontario covered by Hydro-electric lines are free from fear of electric power monopoly. They get Niagara's power at the lowest possible price. If competing private companies continue to exist it will only be by rendering even better service to the public than that given by the public's own lines." In this general connection the City Council had already decided (Mch. 20) to place its Electric lighting system in the control of three Commissioners—one appointed by the Provincial Government, one by the Power Commission and one by the City. Eventually, P. W. Ellis (Chairman), Mayor G. R. Geary and H. L. Drayton, K.C., Corporation Council, were appointed. On June 5th a substantial reduction in Civic rates, from those quoted by the Toronto Electric Light Co., was announced with technical schedules submitted therewith. It was variously described as sweeping in character and as being from 30 to 50 per cent. lower in price than the Company charged. Business was at once sought and a considerable amount obtained. Later in the year the Toronto Electric Light Co. also reduced its rates and on Aug. 2nd it was announced by the latter that money had been paid into the National Trust Co. sufficient to supplement the preliminary payment of $20 per share already received by the shareholders and pay them the $115 remaining due under the accepted option.

Meantime Mr. W. K. McNaught's measure extending the control of the Power Commission over all Electric Power Companies had been duly passed by the Legislature and arrangements gotten underway for supplying such centres in Eastern Ontario as might desire to accept the Commission's terms. Another important item in the 1911 Legislative Session was the passage of Mr. Beck's measure providing for the extension of cheap electrical power to the small villages, and even the farms, of the Province. It was styled "An Act to provide for the local distribution of Electrical Power," and, under its terms, any one or more of the ratepayers in a municipality, the corporation of which had not entered into

a contract with the Hydro-Electric Power Commission, could apply to the corporation to obtain from the Commission a supply of electrical power or energy for lighting, heating and power purposes or for any one of such purposes. The Council must then ask the Commission to supply the power and the latter would furnish to the corporation an estimate of the cost per horse-power at which the power could be supplied at point of delivery, the cost of the transmission line, its maintenance, with plans, etc. "Within one month after the receipt of this information the Council must, if any or all of the applicants consent, without submitting a by-law to the vote of the electors, pass a by-law to enter into a contract, issue 20-year debentures to pay principal and interest, and charge the users a sum sufficient to recoup the municipality. In default of payment the sum may be entered on the collector's roll and collected as other taxes."

Following up this policy the Commission on Mch. 31 made public an optional contract with the New York and Ontario Power Co. of Waddington, N.Y., for the supply under certain conditions of 15,000 horse-power (costing $657,000) to Eastern Ontario—Napanee, Kingston, Lansdowne, Brockville, Prescott, Cardinal, Morrisburg and Athens being the places immediately concerned. The Commission also announced the intention of extending its high tension lines from St. Thomas to Windsor at a probable cost of $2,000,000 and it was stated that a contract for 1,600 horse-power had been entered into with the Simcoe Power Co. for the supply of Midland, Penetanguishene and Waubaushene. At Brockville, on Apl. 7th, Mr. Beck met the representatives of 19 eastern Municipalities and stated that the contract with the Waddington concern had been signed by the Commission and that the rates would be as low, and sometimes even lower, than in the Niagara-served district. He also conveyed to the meeting an idea of the original plan of the Government which was to cover the Province from west to east.

Their efforts in Western Ontario had, Mr. Beck declared, been crowned with success and prospects looked bright for a further stretch of power when the Electric Power Co., with headquarters in Toronto, appeared in the Trent Canal district and, between Toronto and Belleville, had practically thwarted the Hydro-Electric Commission. This concern he described as a Merger which included the Seymour Power and Electric Co., the Peterborough Radial Railway Corporation, the Auburn Power Co., the Trent Electric & Water Co., the Sydney Electric Power Co., the Oshawa Electric Light Co., The City Gas Co. of Oshawa, the Nipissing Power Co., the Cobourg Utilities Corporation, the Northumberland and Durham Power Co., and the Central Ontario Power Co. "The municipalities are tied up with franchises given this Company, working under a Dominion charter, and with the right to develop power from the Trent. When the Com-

mission applied for power to supply the Municipalities a reply was given that the controlling Company was not in a position to meet the demand, as all the power was needed to meet their own requirements." Mr. Beck quoted figures to the Delegates which were considered more than satisfactory and he also informed them that the Commission controlled an alternative water-power at High Falls on the Madawaska River.

The situation in the Trent Valley was discussed on Nov. 16 between Mr. Beck and the now politically sympathetic Minister of Railways at Ottawa; as well as the projected control by the Commission of Chats Falls near Ottawa so as to serve the Capital with power. As to the former matter it was understood that the Dominion Government would consent to give the Commission a right to operate certain dams on the Trent Valley Canal and that this would give the Commission control of the situation. To a Peterborough audience on Dec. 28th Mr. Beck offered to undertake the financing of their water-power development and transmission lines on the same basis as in the Niagara district and other parts of the Province and announced, also, that the Electric Power Merger was now willing to dispose of its interests to the Commission for about $4,000,000. The municipal votes of January 1st following brought this region under the Commission's system and practically rounded out the whole Provincial plan. Meanwhile Mr. Beck had been in Europe and on his return told the press (July 29) something which he considered applicable to Ontario under future conditions of Power operation: "In practically all European countries electricity is largely and extensively used on farms of from 25 to 1,000 acres, for light and power purposes, for thrashing and cleaning grain, for cropping, root-cutting, wood-sawing and pumping water, for milling and for warming and lighting houses, stables and barns." At the close of the year (Dec. 18) Sir James Whitney stated in *The Mail* that important changes were pending. "We intend to replace the Commission by a Department of which the head will be a Cabinet Minister with a Deputy Minister to assist him."

The Whitney Government and the Ontario Elections

The Provincial Elections of December, 1911, cannot be described as an exciting contest. They were announced as pending on Oct. 11th when Sir James Whitney said to the press: "We have decided to dissolve the House in the near future, and I give this notice now in order that there may be no suggestion that we desire to hurry the Elections. The present Legislature has already existed longer than its predecessors and there are now ten vacant seats. The expense of bye-elections would be large—about $15,000—and this expense would have to be duplicated in less than a year did we not dissolve now." The ensuing contest followed a Dominion struggle which had exhausted public interest to a considerable extent and it was fought with a strong

Government practically assured of success on the one side against an Opposition weak in numbers and affected in prestige by the tremendous Conservative sweep of the Province during the Federal Elections.

The Whitney Government, also, had a record of accomplishment which made criticism—however convincing to the person or party submitting it—seem inconclusive to the public. The following is a summary of the actual steps taken, legislation carried, or policy developed, during its six years of power: Reform of the numbered ballots; breaking up of the School-book "ring" and cutting in half the price of school-books; revision of the Public School system and creation of a consultative Educational Council; supply of cheap power from Niagara Falls to the chief towns and cities in Western Ontario with pending arrangements for extension to Eastern Ontario and its general distribution to farmers; better inspection of butter and cheese factories; legislation to lessen the dangers of workingmen on buildings; reconstruction of the administration and financial resources and building capacity of the Provincial University; putting the Provincial finances on a sound footing and the sale of pulpwood and timber by tender; an honest enforcement of the License law; revision of mining laws and appointment of a Cabinet Minister from New Ontario; modification of the County Councils Act so as to restore it to the former basis; extension of the Temiskaming Railway and the development of New Ontario; creation of the Ontario Railway and Municipal Board for the protection of public rights; Law and prison reform; extension of agricultural training to the people through the medium of the schools; promotion of reforestration in waste lands and the preservation of timber reserves in the Northern country; legislation for a pure milk supply and for protecting the interests of municipalities in regard to the control of street railways; protection of independent telephone companies; the re-organization of school inspection and an extension of the Normal School system. Several items of this record were outstanding ones and included the public ownership of Electric power facilities; the Prison reform policy of Mr. Hanna; the T. & N. O. Railway development under J. L. Englehart's guidance; the Educational policy as to University support and cheaper text-books. Through and about them the public also saw a straightforward Premier in whose honesty of purpose and character they had full confidence and who, even if he did make mistakes upon occasion, never lost the respect of his opponents or critics.

Such were the general Conservative issues involved when the Whitney Government, with its 78 supporters to 17 Liberals and 1 Labour member, announced the 1911 appeal to the people. On Oct. 31, following, Sir James Whitney made public the exact date of the Election as Dec. 11, with Nominations a week earlier.

After reviewing, in an accompanying Manifesto, the Government's record, along lines already reviewed here, the Premier went into details. Educational improvements and some other reforms were summarized as follows: "The amount payable towards the salaries of teachers in Public Schools has been increased until this year such aid will amount to about $475,000; we have devised a system for industrial training in the urban schools, liberally aided by money grants; the amount to be paid to the University of Toronto this year will reach to about the sum of $488,000; the amount appropriated this year for the construction of Colonization roads is $582,000." As to Provincial Railway matters the Premier pointed out that the T. & N. O. was completed 253 miles to Cochrane and that the Porcupine branch would be carried to the Matagami River by the end of the year with, altogether, 380 miles in operation while surveys were being made as far north as James Bay. Upon the Power question he was explicit:

> **The great scheme for the utilization of Electric power has, after many vicissitudes and in the face of bitter and relentless opposition, been accomplished and is now in operation and practically within reach of the farmers and other residents in the villages and rural districts—and I am glad to say that the cost of construction has been $85,000 less than the estimated sum. It should not be forgotten that this policy of the Government contemplates the furnishing of electric power at cost to all sections of the Province, but great efforts have been made by interested individuals to hamper and prevent the carrying out of the intentions of the Government in the central and eastern parts of the Province.**

Tribute was paid to the patriotic and unselfish exertions of Messrs. Beck, Hendrie and McNaught and the statement made that the time was coming when the Commission should be discontinued and a new Department of the Government created. The increase in Ontario's mineral output and in the number of immigrants, the necessary additions to the Parliament Buildings and the new Government House arrangements, the sale of the Central Prison and Lunatic Asylum properties for $1,025,000, and the continued increase in Succession duties, were referred to. The Premier then described the Government as having been hampered in New Ontario by Dominion Government immigration expenditures which took settlers elsewhere and by Provincial expenditures which in so far as they promoted settlement increased the Federal revenues through consumption of tariff-taxed goods without giving similar returns to the Provincial Government—providing in fact only a constantly increased demand for roads, bridges, and other public works. "It was, therefore, with much satisfaction that my colleagues and I took note of the announcement some time ago by Mr. Borden, now the Prime Minister of Canada, that if he came into power he would favour the giving of financial aid by the Dominion to the Province in the work of immigration to New Ontario, the construction of permanent highways in the Province, and for providing practical instruction in agriculture." Further,

the Provincial Government hoped now to obtain the Federal bonus or subsidy of $6,400 per mile for the T. & N. O. Railway which had hitherto been refused at Ottawa.

During the ensuing campaign the Premier took the most conspicuous part. He was met with some criticism from within his own party as to the subject of exempting Land improvements from taxation. In a press interview (Nov. 10) he refused to commit his Government to any definite policy, preferred to leave the subject to the usual five year amendment of the Assessment laws and, personally, declared any local control of this form of taxation under the existing checker-board system of Ontario municipalities to be absurd. The Hamilton *Spectator* and Ottawa *Citizen* did not agree with this view and it did not, of course, commend itself to the Opposition. Meanwhile the Liberals had "swapped horses in crossing the stream" and the change of Opposition leadership placed Sir James in the position of a tried, trained and experienced public administrator opposed by one whom he could, politically, describe as a novice. He aroused some popular amusement by saying of Mr. Rowell's platform (Nov. 8) that "it took a long time to hatch out such a skimpy chicken."

The Premier opened the campaign at Cobourg on Nov. 15th with a review of his Government's policy, praised Mr. A. G. MacKay, the late Opposition Leader, and welcomed Mr. N. W. Rowell in his place as "a great moral reformer" who had supported the many alleged sins of the Ross Government; described the Rowell Manifesto and platform of things to do as largely taken from the Government's list of things already done. At Hagersville on Nov. 16th Sir James was warmly welcomed and stated that Mr. Beck was then on his way to Ottawa to confer with Mr. Cochrane, Minister of Railways, as to the elimination of "certain capitalistic influences" which were hampering the Government in giving to Eastern Ontario farmers the benefit of cheaper Power. He reviewed the Government's arrangement with the Grand Trunk Railway by which that Company paid $300,000 a year for running rights over the T. & N. O. and indicated the benefits which would accrue to Ontario from the co-operation of the Dominion and Provincial Governments under new political conditions at Ottawa.

As to Mr. Rowell's main policies he had something to say: "Mr. Rowell is in favour of placing the T. & N. O. Railway under Dominion control. He would take the Railway which is the pride of the people of Ontario, and on which the people have spent their money, and put it under the control of the Dominion. He is known as a Temperance man but he won't take any definite stand on the question. He won't touch the question of total prohibition and confines himself to advocating the abolition of the three-fifths clause." The position taken by Mr. Rowell on the Bi-lingual school question was ridiculed by the Premier. "He

has taken the law that is now on the statute book, stipulating that English shall be the language of instruction and communication in schools, except where the pupils do not understand English, and has put it in his platform!"

At Ingersoll, on Nov. 17th, the Premier proved to the satisfaction of his audience that three-quarters of the schemes now advocated by the Liberal party had already been taken up and finished by the present Government. "We have appropriated $582,000 for building good roads in Northern Ontario, and it will go a long way. And this is the thing we are told we haven't done. It was only to-day, before I left my office, that I signed an Order-in-Council for a considerable sum of money for further expenditure on Colonization roads over and above the amount set aside by the Government. We have extended the Government railway until it is 300 miles in length. Mr. Rowell says steps should have been taken to build the railway to Hudson's Bay. Why, the surveys are already finished." He was at Fergus on Nov. 21st and at Durham on the 22nd where an early Commission to deal with the Land assessment question was promised. Sir James was welcomed at Alvinston on the 23rd and at Essex on the 24th—children with Union Jacks greeting him at the former place and the strains of "Rule Britannia" at the latter. He also spoke at Guelph on the 29th. It was announced at this time (Nov. 25) that a plan was under consideration by the Dominion Government whereby Ontario as well as Manitoba would secure a seaport on Hudson's Bay. "The arrangement has the approval of both Ontario and Manitoba Ministers and members at Ottawa, but it will require the approval of the Governments of the two Provinces before a Bill can be introduced into Parliament giving it effect."

Speaking at Lindsay on Dec. 2nd the Premier made one of his characteristic statements. "The public man who hesitates to say definitely what he thinks on a public question is a public fool." The cause of the scarcity of teachers was indicated when Sir James said he had been shown two advertisements for teachers, one from Saskatchewan offering $1,200 a year, and one from Ontario, offering $400 a year. He was at Orillia on Dec. 7th and at Hamilton on the 8th where he reviewed the Labour policy of the Government to a large audience of workingmen and referred to the recently appointed Commission to inquire into Compensation for Injuries and upon which thorough legislation would be based. As to this matter of Labour the Toronto *News* (Nov. 21) made a concise statement: "The classes in Manual Training and Household Science have been improved and already the Legislative grant for these branches and for industrial education has advanced from $25,000 in 1904 to $103,700 in 1911. In 1904 there was not a single free employment bureau in the Province. This year there are five. The old Government took

no thought for the unemployed; in the last four years positions have been secured for upwards of 2,000 applicants. In 1904 we had six Factory Inspectors; now there are ten. In 1904 208 trades unions reported on wages; last year 335 reports were received. In 1904 only 174 employers submitted reports as to Labour conditions. In the past year nearly 650 such reports came in."

As to other Conservative speakers Mr. Adam Beck, the prospective "Minister of Power," was at Paris on Dec. 2nd where he reviewed the policy of the Government at length. "Whatever may be our differences in this campaign we begin with an honest man at the head of affairs—admittedly honest during his office as Premier—and we begin with a solid foundation. As to the differences in the platforms of the two parties it is rather difficult to arrive at any definite conclusion. I fail, especially so far as the Power policy is concerned, to come to any conclusion, after reading the speeches of Mr. Rowell, Mr. MacKay, and others, that they are in agreement as to what the Power policy of the Liberal party is, or should be. I think the Power policy of the Whitney Government has, at least, been consistent and I feel safe in saying that it has been acceptable to the people of the municipalities which asked for such legislation." In another reference he was explicit: "Had the Power policy been carried on along the lines and principles of the Ross Government, and the Government of Laurier, this great electric project, now owned and controlled by the people, would have formed part of one of the largest and greatest monopolies this continent has ever seen. We are justified in assuming that the saving to the users this year will be in the neighbourhood of half a million dollars in Ontario. The effect of our operations in Hamilton is considered to have saved a hundred thousand dollars, whilst in London every effort was put forward to discredit the scheme and there they have a 4½ cent. light." Mr. Beck also spoke at London, at Berlin on Dec. 4th, on the 5th at Goderich, on the 6th at Owen Sound, and on the 7th at Tillsonburg.

Speaking at Guelph, on Oct. 14th, the Hon. W. J. Hanna pointed out that it had been the firm resolve of the Whitney Government to try and bring to the doors of the farmers the benefits of the Ontario Agricultural College and with this end in view there were now some 15 graduates of the College at work, in that number of agricultural districts all over the Province, working with the farmers, co-operating and advising them as to what they should do. It had been estimated that as a result of this work in Lambton, alone, $3 per acre had been added to the farms which, in the case of 600,000 acres, meant $1,800,000 of increased values. At Leamington on Nov. 23rd Mr. Hanna met the Liberal charges as to scarcity of teachers by saying that "the largest number of teachers turned out under the Liberal Government was 1,400

while in 1911 there had been 1,950 teachers turned out under Conservative auspices." At Stratford on Dec. 2nd Mr. Hanna dealt with the Opposition charges as to the Premier's being autocratic and exercising one-man power, etc.: "Nothing is further from the truth than this paltry caricature. No man is more genial, more generous, more courteous, more ready to assist, consult and advise with a colleague or supporter or more ready to meet anybody as man with man, on fair, even footing, whether in or out of the Government, than Sir James Whitney." Other Ministers spoke at various places and W. K. McNaught, A. W. Wright and Hon. A. B. Morine also addressed a series of meetings.

As the Election proceeded it was found that 25 members, at least, of the late Legislature were not being re-nominated. Of these nine had resigned and been elected to Parliament at Ottawa; Messrs. J. P. Downey and J. H. Carnegie had accepted appointments; T. S. T. Smellie of Fort William, J. S. Gallagher in Frontenac and A. A. Richardson in East Hastings had failed to carry their conventions; D. R. McDonald, J. B. Tudhope, J. W. Pearce, H. P. Innes, Jacob Kohler, D. J. McDougal, T. E. Bradburn, R. E. Truax, N. Reid, W. J. McCart and John Shaw had not sought re-nomination—Mr. Shaw making way in North Toronto for Hon. J. J. Foy. The Liberals expected about 14 seats to go by acclamation but on Dec. 4th it was found that four members of the Government—Messrs. A. J. Matheson, Adam Beck, J. S. Duff, and W. H. Hearst—had been returned without opposition together with W. D. Black, R. H. McElroy, J. J. Preston, G. H. Ferguson, S. Grant, J. W. Johnson, J. R. Cook, A. E. Ross, R. F. Preston, T. W. McGarry, Dr. Jessop, E. A. Dunlop and R. M. Mason—all Conservatives. In nine other constituencies the Liberals had no candidates.

An incident of the Election in its later stages was an appeal issued by the Ontario Branch of the Dominion Alliance (Prohibition) asking the electors to work and vote for the election of candidates who "are avowed and trustworthy supporters of Temperance reform, who can be depended upon to do all in their power to secure at the earliest opportunity the enactment of effective legislation against the bar-room evil and who will hold themselves free from party dictation in relation to such legislation." Mr. J. J. Foy, Attorney-General, who had gone from South Toronto into the North riding, was opposed by ex-Mayor Joseph Oliver upon a platform of Public ownership, no Bi-lingualism in schools and Prohibition. The contest was a lively one but there was no serious doubt as to the issue. It was claimed by the Liberal press that in Mr. Duff's constituency the Returning Officer had used a technicality to permit the Minister to be elected by acclamation. The point seemed to turn upon the absence of one of the Liberal nominators. He was sent for and did not appear so that in accordance with the law—after a wait of 15 minutes

beyond the hour and the refusal of any one present to second the nomination—Mr. Duff was declared elected.

The Liberal Opposition in the Ontario Elections

The Liberal party had a difficult part to play in the 1911 Provincial Elections. In a big minority of the Legislature, badly defeated in the recent Dominion contest, and with a Leadership changed during the progress of the struggle, it would be hard to find a more depressing party situation. Mr. Alexander Grant MacKay, K.C., M.L.A., the Provincial Leader at the beginning of the contest, did what he could, and did it as vigorously as though he intended to fight for Opposition success in the same strenuous way he had fought for the Laurier Government in the Federal conflict. Immediately after the Premier's statement of Oct. 12th he issued an elaborate newspaper announcement of opinion and policy.

The proposed Dissolution was denounced as cowardly and unreasonable and many residents in unorganized districts, and in parts of 13 constituencies, were said to be disfranchised. He declared that " the inexplicable bungling of the Education Department has its most serious effect in the rural districts " where there was " a lamentable scarcity of qualified teachers " caused, in part he claimed, by the abolition of the Model Schools; described the printing and sale of the school text-books by the Eaton firm as an injury to the retail trade of the whole Province; urged the appointment of a competent Provincial Commission on Technical Education and stated that $1,000,000 a year was paid by ambitious artisans and mechanics to Correspondence Schools, etc., for the purpose of self-improvement; stated that " there has been for several years a substantial annual Provincial deficit upon any classification of current receipts and expenditures that any sane accountant would make "; denounced the Hydro-Electric policy as helping the Niagara region at the expense of the rest of Ontario and aiding specific municipalities to take away and retain the industries of rural centres outside the favoured zone; alleged that the T. & N. O. was not treated as a Colonization road, that Government-owned town sites or properties were untaxed for municipal purposes, that prospectors were taxed by license fees for their work. He concluded as follows:

Let the electors of the villages, towns and cities in seven-eights of the Province take an independent stand with reference to the Power question and they will get justice. Let the electors of our great northland unite and, regardless of party, say emphatically that a sweeping and comprehensive advance must be made in dealing with the colonization of our great hinterland and that this territory shall not longer be compelled to play the role of financial milch cow but shall and must have a square deal. The plank of the Liberal platform of 1904 is right which said that this Province should have a Minister of Colonization and Labour. I would not bring undesirable immigrants into unfair competition with skilled and semi-skilled labour in our towns and cities, but on the other hand I would ever have an open eye for the immigrant adapted to coloni-

zation purposes. Let the miners, for example, regardless of party insist that eight hours' work underground where there is more or less impure air, is more wearing on the human system than is ten hours' work in the open, and that as to this calling eight hours' work should constitute a full day. Let the miner pledge all candidates to such a just measure and he, also, will get a square deal. Let the report of the Commission as to the state of the Bi-lingual schools be published at once. Let us have the actual facts and then we may discuss remedies.

Following this Mr. MacKay called a conference of party leaders in the Province to discuss, on Oct. 19th, a situation which quickly developed with, it was said, the intention of resigning the leadership. It is unnecessary to go minutely into the reasons for this talk of retirement at such a juncture. There was said to be rivalry between the country elements of the Party which Mr. MacKay, in a sense, represented as coming from Owen Sound and the City element which would like to have things centered in Toronto; there were said to be objections to his somewhat negative stand on Temperance matters outside of the Three-fifths clause issue; there was personal trouble in certain secretly discussed charges which were finally embodied in a writ (Sept. 18, 1911) issued through a man named Haines—as to which full details were not published in the press and the truth of which Mr. MacKay earnestly denied.* Meanwhile, the Conservative press was naturally busy in discussing the situation and in assuming that there would be a resignation. The names of N. W. Rowell, K.C., H. M. Mowat, K.C., and J. Walter Curry, K.C., were variously suggested for the post. On the 19th the caucus of 30 leading Liberals was duly held and a statement issued that a unanimous Resolution of confidence in Mr. MacKay's leadership had been passed. Nothing further occurred for a couple of weeks excepting the suggestion in certain quarters that Hon. W. L. Mackenzie King would be an admirable nominee for the position.

On Oct. 31st, however, the Ontario Reform Association met in Toronto with 300 present and it was announced that Mr. MacKay had, on the previous evening, tendered his resignation as Leader of the Opposition in the Legislature to his colleagues of that House. In doing so he had declared that his character was attacked in charges which were to go into the Courts, which he characterized as "absolute blackmail," and which, it may be added, were never heard of after this Election was over. Mr. MacKay described the whole thing as a case of conspiracy, but felt it his duty to retire in the meantime from the leadership. He was urged by the Convention to re-consider the matter but refused and his resignation was accepted in a Resolution of which the following is a portion: "This meeting hereby tenders to Mr. MacKay its deep appreciation of the zeal and devotion displayed during his occupancy of the arduous position of Leader of the

* NOTE.—The Mackenzie Club of Toronto discussed the leadership on Oct. 26th with various veiled allusions to this matter.

Opposition and trusts that his present action will not deprive the Liberal party in Ontario and in the whole Dominion of his great talents and strong personality, This meeting further expresses to Mr. MacKay its unbounded confidence in his personal honour and integrity and its condemnation of the cowardly attack which it learns is being made upon him." A Committee was appointed to confer with the Parliamentary party as to choice of a leader.

While this Committee was at work, President H. M. Mowat delivered an address urging, in Dominion politics, an increase in the British preference and in Provincial matters the carrying out of Liberal pledges by advocacy of the abolition of bar-room licenses. The Hon. George P. Graham then addressed the meeting and the ensuing election of officers resulted as follows: President, Hon. W. L. Mackenzie King; Vice-Presidents, F. F. Pardee, C. M. Bowman, M.L.A., A. J. Young, North Bay, and Edmund Proulx, Prescott; Treasurer, A. E. Dyment. Then came the announcement that the Parliamentary Committee had unanimously elected Newton Wesley Rowell, K.C., as Leader and that he had accepted and would address the Convention. Mr. Rowell was given a great reception and in a brief speech described progressiveness as the life of the party, questions regarding New Ontario as vital, and the social reform issue as pressing.

The new Leader was young in years and virile in speech; quiet in manner but earnest in his convictions; a successful platform speaker and a strong Party man; deeply concerned in religious, educational and moral movements; a lawyer by profession and a politician who had never sat in any Parliament. Born in the year of Confederation he undertook these new responsibilities on the anniversary of his birthday. There was a chorus of popular approval regarding the selection and everyone interviewed by *The Globe* expressed the greatest satisfaction. Editorially that organ said: "Mr. MacKay, in point of sheer native ability, was the ablest man in the Assembly and much of the legislation passed by the Whitney Government was bettered by having been subjected to the fire of the Opposition leader's criticism. He had the hearty support and enthusiastic loyalty of his colleagues, a support and loyalty amply attested by the Resolution adopted by them when he insisted that the interests of the party required his withdrawal. The new leader comes to his task fully sensible of the burden he assumes and of the opportunity the leadership affords of serving his fellow-citizens of the Province of Ontario. Mr. Newton Wesley Rowell is a Liberal who during the past quarter of a century has given much of his time and his splendid ability as a platform speaker to the service of the party. To him, as to John Bright, the condition of the people is the supreme issue in politics. In all questions of moral and social reform and of the material advancement of the Province of Ontario, his interest is deep and abiding."

The Liberal press of the Province followed in eulogy of Mr. Rowell's high ideals and personal character. Outside of the Province the Montreal *Herald* (Nov. 6) had a very good analysis of the personal equation: "Mr. Rowell may or may not have the peculiar qualities which fit a man for the task of leading other men. That time will tell. But certain qualities he undoubtedly has which make it look not unlikely that he will succeed. He is, to begin with, a man of the best type in all that has to do with personal conduct and ideals. Secondly, he is a hard worker and, what is better, an efficient worker. If his close associates admit a fault in him it is that he overdoes it, works beyond what his physical strength is able to sustain. Finally, he is one of the few public speakers who has the genuine oratorical fire. There is plenty of brain work behind what he says, but he is in essence not a debater nor a lecturer, but an orator, an evangelist." The Toronto *News* represented the Conservative view in the ensuing contest as follows: "Of high character, of undoubted ability at the bar, and a popular and powerful public speaker, he is wholly without actual political experience. He has always been a confirmed partisan and, despite its corrupt electoral methods, he supported the Ross Government to the bitter end, as he likewise followed the Laurier Administration to the grave." On Nov. 7th Mr. Rowell issued an elaborate Address to the Electors in which he reviewed the political situation and outlined a wide range of subjects for Liberal and public support with the preliminary statement that the Whitney Government had failed "to grasp the urgency and importance of the settlement and development of New Ontario"; that agriculture was the basic industry of Ontario and must be organized on progressive lines; and that even more important than material development was "the promotion of the social, moral and industrial welfare of the people." The Party platform, as then enunciated, may be summarized as follows:

1. The creation of a Government Department of Immigration and Colonization for the purpose of promoting, primarily, the pioneer interests and development of Northern Ontario.

2. The maintenance of the Colonization character of the T. & N. O. (Provincial) Railway, the protection of shippers and settlers from inequitable rates by its subjection to Dominion Railway Commission regulation and the general railway law, the allowing of actions at law against the Railway without the permission of the Attorney-General, its extension to Hudson's Bay and removal of restrictions as to Municipal taxes thereon.

3. The promotion of mining by reduction of Prospectors' fees, provision of reasonable transportation facilities, increased stability in titles and the securing of an 8-hour day for underground miners.

4. The determination of the Ontario Manitoba boundary line so as to give Ontario a suitable port on Hudson's Bay for ocean-going vessels.

5. Future alleviation of conditions causing the decline in Ontario's rural population by the appointment of a Royal Commission of Inquiry as to the best course of action with, in the meantime, active encouragement of immigration, the inducing of land-seeking farmers to go to New Ontario instead of the West, the building of a good road system throughout the Province, the extension in rural districts of public light, heat

and power services, the provision of suitable demonstration farms and orchards throughout the Province, the appointment of more Provincial Inspectors with power to stamp out noxious weeds, insect pests, and orchard tree diseases, the enlargement of the experimental work of the Agricultural College.

6. The removal of existing inequalities in taxation; the permitting of municipalities to exempt improvements from taxation in whole or in part; the contribution of railway and other public utility corporations to the revenues of municipalities and the Province on a basis of assessment and taxation equal to the imposition on private citizens.

7. Consideration during the Parliamentary term of "the best form of legislation to deal effectively with the evils of intemperance," the immediate abolition of the three-fifths clause and the removal of Liquor license administration from political influence; the passage of a measure regarding Compensation to injured workmen based upon the British law; investigation and supervision of matters affecting the health and well-being of workers; encouragement to town-planning and prevention of congested areas; suppression of tuberculosis and avoidance of occupational diseases.

8. Promotion of a co-operative relationship between the primary schools, high schools and Universities; more liberal grants for encouragement of primary education and industrial training; the restoration of Model Schools and formation of adequate training schools for a sufficient supply of competent teachers.

9. "We believe in and will support public ownership and operation of public utilities and especially the utilization of water powers throughout the Province for the generation and distribution of electricity; also the acquisition and operation of telephone lines."

10. Development of a scientific policy of Forestry with reforestration of suitable Crown lands; the conservation of timber resources by the revesting in the crown of berths containing young pine timber and an adequate system of fire-ranging to protect Crown timber; the sale of Crown timber by public auction rather than by private sale or tender; assistance, financially, to municipalities that desire to purchase and reforest the waste land now existing.

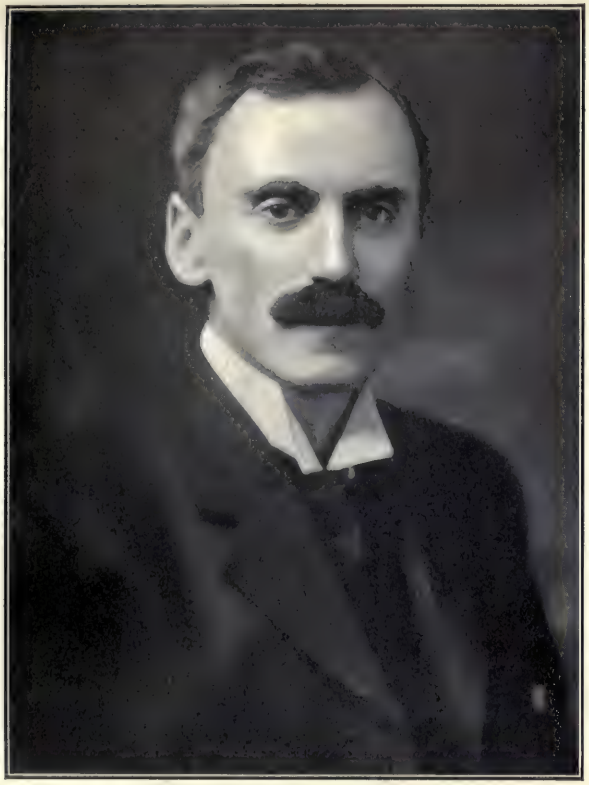
11. Condemnation of the Government's Land grants to Railway corporations and promised enlargement of powers and re-organization of the Ontario Railway and Municipal Board.

12. Opposition to Trusts, mergers and all combinations restricting competition; abolition of the right of Government to deny access to the Courts.

13. Creation of a Civil Service Commission and appointments and promotions in the Service by merit after competitive examination.

14. Prohibition of corporations under Government jurisdiction to make campaign contributions, publication of details of contributions to candidates, and appointment of a Public Prosecutor in contested elections.

The Liberal press described this platform and policy as, on the whole, one of practicable reform. The Brantford *Expositer* considered it "just such a declaration of progressive and truly Liberal principles as might be expected from a young and fearless and absolutely clean leader." The Ottawa *Free Press* described it as "framed in the best spirit of Liberal thought and faith. The platform is progressive and constructive." The *Christian Guardian* gave a non-party view on Nov. 8th: "Whatever effect Mr. Rowell's assuming of leadership may have upon the fortunes of the party with which he is identified there can be no doubt at all that his active participation in political life will help to give



MR. NEWTON WESLEY ROWELL, K.C., M.L.A.

Elected (1911) Leader of Liberal Opposition in Ontario Legislature.

THE HON. WM. HOWARD HEARST, K.C., M.L.A.

Appointed (1911) Minister of Lands, Forests and Mines in Ontario.

strength and success to moral issues, and to raise the tone and temper of political discussions and methods." Conservative opinion was naturally inclined to claim that the best things in the Rowell platform had already been accomplished, or were under way, and to assert that Mr. Rowell had side-stepped the (to him) vital principle of Prohibition or " abolish the bar," and the much-discussed Bi-lingual problem. They also dealt with his advocacy of Reciprocity and his old-time support of the Ross Government.

Following this incident Dr. Andrew MacKay retired as Liberal candidate in North Oxford and, on Nov. 12th, Mr. Rowell was given the unanimous nomination of a new Convention. On the 14th the new Leader put his policy before a great meeting in Massey Hall, Toronto, and delivered a speech of distinct force and eloquence. He did not deal with all the points in his voluminous party platform, as reviewed above, but confined himself to a few of the chief planks. This platform was, he declared, not the last word in Liberalism but would at once help to promote the moral and material welfare of the people and better their social and industrial condition. After paying tribute to Mr. A. G. MacKay's brilliant qualities and expressing a belief that he would vindicate himself, and the electors of North Grey show their confidence in that result by re-electing him, Mr. Rowell dealt with what he termed " the bluff and frank honesty of Sir James Whitney," his tenacity of opinion and his courage of conviction, reviewed the past Provincial leaders of Liberalism and thanked the press for its personal, if not political, appreciation of his own selection.

He deprecated the " forcing of an Election " at an inclement season and a year before the expiration of the Legislative term, and urged the importance of having a larger minority in the House even if there could not be a Liberal majority. " The tendency of every Government which has behind it an overwhelming majority in Parliament is to become domineering, overbearing and insolent in reference to the rights of the minority and the public weal." His platform he described as follows: " It is but a statement of the pressing and urgent needs, both in legislation and administration, the policies which should be immediately adopted in order that our Province may swing into the line of progress and move forward in her destined course. So soon as these measures are adopted then we move forward to take up new ground." The development of Northern Ontario was declared to be a great issue of the day, the Government's policy a Rip Van Winkle ideal with apathy and indifference as characteristics. In the matter of Education Mr. Rowell described the situation as one of public unrest and dissatisfaction, of Government muddle and mismanagement. The basis for this charge was found in a shortage of teachers for which he blamed the abolition of Model

Schools, the ill-health of pupils which he appeared to think should be better guarded, and the Bi-lingual school issue. As to this latter point, after deprecating the alleged inaction of the Government and without any reference to the Merchant Commission, he said:

> At the present time our French-Canadian fellow-citizens in this Province number about 250,000. They constitute almost one-tenth of our entire population and their number is increasing. Apparently the teaching in many of their schools is neither satisfactory to them nor to us; their children are not receiving the education they should have to fit them for their life-work. It is the duty of the State, therefore, to see that in every school of the Province every child shall receive a thorough English education. But, on the other hand, we should not seek to prevent the children of our French-Canadian fellow citizens retaining the use of their mother tongue. What we are concerned about is that they should master English, and not that they should be ignorant of French. The problem in its working out is largely one of teachers and administration.

In the matter of the three-fifths clause the Opposition Leader was explicit: "This requirement we propose to abolish at once with respect to all future contests, so that all municipalities hereafter adopting Local Option may carry it by a simple majority and repeal it by a like majority. Those which passed Local Option by a three-fifths vote will still require a three-fifths vote to repeal it." As to Prohibition he said: "It is our intention to give early consideration to this matter in all its bearings and the decision at which we arrive will be laid before the people and the people will have an opportunity of passing judgment upon our policy at the next general election, not in the form of a referendum, but as the policy of the party, upon which we will stand or fall; but we shall not fall." As to Liquor law administration he suggested the appointment of a Commission to control the policy—a Commission responsible to the Government. Mr. Mackenzie King, who presided, dealt at length with social and economic conditions—first, however, making a vigorous reference to Mr. Champ Clark's utterances on annexation as tending to estrange rather than cement the two countries: "Whatever may be the differences in matters of domestic policy between the Liberal and Conservative parties in Canada they are cordially united in their loyalty to the British Crown and in their belief that Canada's future is bound up with the future of the Empire and that, as part of the British Empire, Canada has more to give and more to receive than by any other destiny under the sun."

From this time on Mr. Rowell was kept busy in a speaking tour of the Province—with a three weeks itinerary arranged as follows: Guelph, Nov. 17 and Plattsville and Drumbo on the 18th; Belleville, Nov. 20th and Lindsay on the 21st; Napanee, Nov. 22nd, North Oxford on the 23rd and Ottawa on the 24th; Sturgeon Falls and North Bay on Nov. 28th; Barrie on the 29th and Waterford on the 30th; Stratford on Dec. 1st, Woodstock

and Innerkip on the 4th, Brantford on the 5th, Sarnia on the 6th, St. Thomas on the 7th, and Palmerston on the 8th. At Guelph he made a special appeal to agricultural interests and urged the organization of Demonstration farms—not Demonstration orchards such as the Government had established but apparently District extensions of the Experimental Farm policy. He opposed the making of the Hydro-Electric Commission a Department of the Government and preferred a non-official Board of business men. At Drumbo his reference to women's suffrage was as follows: "Perhaps it is not out of place to look forward to the time when women will exercise the franchise but whether this will, or will not, come in the near future one thing is certain and that is that public men will have to give the matter their consideration in the near future. Therefore the Liberal party will give thought to this question and I hope when they meet in the new Legislature that they will reach a conclusion on the subject which will be satisfactory." Upon the Power question Mr. Rowell had this to say at Woodstock:

If you look at the Hydro-Electric Act and the agreements between the Commission and the municipalities you will see that the Commission is simply the trustee of the municipalities for the purchase and distribution of Electric energy. The whole cost of construction, maintenance, and operation, and cost of power, must be borne by the municipalities. The Commission holds all the properties and assets acquired by it as trustee for the municipalities. If there is inefficiency or extravagance in the management, if matters do not go well with the Government financially, the municipalities must pay every cent of the loss.

At the Ottawa meeting (Nov. 24) a message was read from Sir W. Laurier, saying: "I am heart and soul for Mr. Rowell." Here the Provincial Leader dealt with the taxation question: "The land speculator toils not, neither does he spin. Others have laboured and he enters in and enjoys the results of their labours. Social justice demands that this condition should be remedied and that if the municipalities desire to encourage improvements they should be entitled to do so by putting a lower tax on improvements than on land values. . . . It will tend to discourage the holding of large blocks of land out of the market, and it will stimulate building on unimproved land so as to make it income-earning. It will tend to prevent an increase in rents by bringing more houses into the market to rent." The Innerkip meeting gave Mr. Rowell an opportunity to elaborate this taxation principle in its application to Railways. "We believe that these corporations should pay in the same proportion as the farmers. The Grand Trunk Railway pays 4 times as much taxes in Michigan as it does in Ontario and the Canadian Pacific for its lines in Wisconsin pays 5 times as much. Don't you think these figures should be equalized?"

In North Bay, where there is a large French population,

tribute was paid to the pioneer French missionaries as "a priceless treasure" of our country and the statement made that "no Government has the right to prevent a child from speaking his mother-tongue." Much was said of Northern Ontario at Barrie: "Roads must be built to bring in settlers and some system of loans similar, for instance, to that existing in New Zealand must be devised to assist the settlers in beginning life in this territory. If necessary the North should be built up with a Bond issue. If the people of Old Ontario can have bond issues for their Hydro-Electric power plans then New Ontario has a right to expect that it shall receive consideration to the same extent. The fact is that of the $8,000,000 contributed each year to the Crown by the people of this Province New Ontario supplies $3,500,000." At Sarnia a complaint was made that the Government was spending twice as much to protect fish and game as to protect citizens from tuberculosis. Palmerston was the scene of a rather striking statement in view of the Government's pride in its aggressive policy and fighting leader. "This is our charge against the Government: that it lies down in face of difficulties instead of courageously grappling with them. . . . The Government appears to be a spent force, a burnt-out volcano, unable to initiate progressive legislation!"

Like Sir James Whitney, Mr. Rowell expressed a strong Imperial sentiment. At Woodstock on Dec. 4th he said: "Canada is moving out to take an ever-increasing part and influence in the councils of the Empire. This Empire is by no means decadent and the days of its greatest glory are yet to come, when Australia, New Zealand, South Africa, Canada, these giant young nations, will join around the Motherland and combine to form the greatest union ever known." The Liberal leader issued a final Manifesto on Dec. 6th in which he denounced the alleged inefficient and unprogressive character of the Administration, reiterated many of his already quoted statements or items of policy and described the Bi-lingual school issue as evaded by the Government. The Liberal policy was "to provide, through adequate training schools, a sufficient supply of competent teachers and to insure, under proper regulations and inspection, that the pupils in every school in the Province shall receive a thorough knowledge of English." Northern conditions were said to be stagnant and a breakdown to exist in the general enforcement of the law throughout Ontario; the expenditures were described as doubled in five years with $100,000 spent upon a revision of the Statutes alone; political influence was asserted to have caused the Government deposits in the Farmers Bank and to have indirectly aided in wrecking that institution while "the forces of reaction" were said to have gained control of the License Department; the Ontario Railway Board was described as "a public scandal" and the Government, in turn, as one of autocracy and as composed of "seven sleepers."

The Hon. Mackenzie King addressed a large number of meetings during the contest—in fact he was Mr. Rowell's chief assistant in this respect. His itinerary was announced to include Pelham on Nov. 20 and Aurora on the 21st, Acton on the 22nd, Amherstburg on the 23rd, Dresden on the 24th, Forest and Thedford on the 25th, Mount Forest on Nov. 27th, Hanover on the 28th, Wingham on the 29th, Midland on the 30th, Clinton on Dec. 1st, Cayuga on the 4th, Tillsonburg on the 5th, St. Mary's on the 6th, Peterborough on the 7th, and Whitby on the 8th. Through him the Ontario Reform Association issued on Nov. 2nd an urgent appeal to the Liberal organizations to get their candidates nominated. The vigour of Mr. King's attacks upon the Government is pretty well illustrated in the following extract from his Whitby speech:

> I want to refer to the Prime Minister's statement that we could not find any flaws in his Administration with a microscope. It doesn't take a microscope to discover over 1,000 teachers in this Province teaching without certificates. It doesn't take a microscope to see that there are 75,000 fewer farmers on the lands of this Province than there were ten years ago. It doesn't take a microscope to see that the cost of living has gone up in consequence. It doesn't take a microscope to see that Dr. Beattie Nesbitt, who wrecked the Farmers Bank, is still at large and has never been brought to justice. It doesn't require a magnifying glass to discover 2,000,000 acres of land given away to the Canadian Northern Railway.

Incidents of the Liberal campaign included Joseph Oliver's advocacy in North Toronto of the abolition of the bar, extension of the T. & N. O. to Toronto, Niagara Falls and Windsor, and the teaching of English, only, in the Public Schools; a passing expression of feeling at Kenora, Fort William and a few other points in Northern Ontario favourable to the creation of a new Province including certain points in that region and extending to Hudson's Bay; a deputation from Cobalt, Haileybury, and other places, said to be largely Liberal, which, on Nov. 21st, urged upon the Premier that the Municipal Voters' Lists of 1911 should be used in the Elections—which the Premier told them could not be legally done; the charge of the London *Free Press* that Mr. Rowell was a Corporation lawyer, representing the Hill interests and United States Steel trust which that Leader promptly denied; the charge of *The Globe* (Aug. 26) that "in or about the month of June, 1908, the Manager of the Toronto *World,* of which paper W. F. Maclean, Conservative member for South York, is chief owner, made an arrangement with W. R. Travers, Manager of the Farmers Bank, to solicit deposits for the Farmers Bank, which it is now claimed by *The News* and other Conservative organs was rotten from its inception. That in return Travers agreed to loan funds of the Bank to the Toronto *World* and that the deposits were eventually given."

An interesting incident was a circular letter issued in North Toronto by T. W. Self, William Bush and other Orangemen asking the Order to support Mr. Oliver as an Orangeman of 40 years standing against Hon. J. J. Foy. Hon. George P. Graham spoke for Mr. Rowell at Woodstock on Dec. 8th and Mr. A. G. MacKay put up a vigorous personal campaign in North Grey with a declaration on Nov. 30th that "English is the language of the Province and no language but English should be taught in the schools." On Nov. 16th Rev. B. H. Spence, Secretary of the Ontario Alliance, issued a statement as to the Temperance issue: "Disappointment and regret are the feelings of the Temperance people of this Province at the failure of the new Leader of the Liberal party, either in his published platform or his expressions at Massey Hall, to deal strongly and effectively with the Temperance question. There was a right thing to do. He has not done it. . . . Look at what Mr. Rowell's policy really means. He has ignored the promises and pledges made by Sir Oliver Mowat and his successors and has substituted nothing in their place save that he will take the matter into his serious consideration for four years and then announce his conclusions."

The Bi-Lingual School Issue: Triumph of the Government

Something has already been said of this question —one which became prominent in 1910* and was much discussed before and during the 1911 Elections. The matter had in recent years first taken public form in rivalry between English and French speaking Catholics as to the control and management of Ottawa University and in 1904 (Jan. 15) an elaborate appeal had been made to Mgr. Sbaretti, Papal Delegate, to intervene on behalf of the former element. By 1911 the issue had broadened into the general one of an increasing French-Canadian population in many parts of Ontario, a growing use of the French language in certain schools, an increasing rivalry between the English and French Catholic view of this matter—emphasized by the outstanding opinion of Bishop Fallon in favour of English and the vigorous advocacy of French by the French-Canadian Provincial Educational Association in which Senator N. A. Belcourt and Judge Constantineau of Ottawa were controlling figures. Long before this, however, Bi-lingual instruction in schools had been dealt with by a preceding Liberal Government without any public excitement. In 1885 the Education Department had adopted Regulations for examinations to be conducted in either the French or German schools; in 1890 a Model School for the training of French teachers had been opened at Plantagenet in Eastern Ontario; in 1893 a Government Commission of Inquiry had reported in favour of Bi-lingual school readers—French and English—and they had been authorized for the French schools.

* NOTE.—See *The Canadian Annual Review* for 1910.

In 1896 the Regulations had been amended and French privileges restricted.

Into the issue in 1911 came, also, the religious feeling and Orangemen took up the cudgels warmly for non-sectarian English schools throughout the Province with such utterances as the following Resolution of the Ontario West Grand Lodge at Barrie on Mch. 8th: "That we have observed with deep and earnest concern the public and authoritative statements made concerning the Bi-lingual schools of this Province. We note the inefficiency of these schools from an educational point of view, and the unpatriotic character and tendency of schools which avowedly and manifestly are seeking to drive the English language and population out of Ontario." A demand for entire and immediate abolition followed. According to the Census of 1901 the French population of Ontario was 158,671 and an estimated increase along normal lines would make the figures 182,000 in 1911. But the Ecclesiastical Census of the Province in 1909 showed figures of 247,000 or one French-Canadian in every ten of the population as compared with one in fourteen eight years before.

The Counties chiefly concerned were Prescott and Russell where a large majority was French, Essex where a considerable proportion were of that race, and the Northern frontier of the Province up to the Manitoba boundary—especially the Nipissing District. The Toronto *Star* (Lib.) put the situation as follows on Nov. 6th: "In 1901 one French person over five years of age to every four of the total French population could speak no English. On this basis there would now be, out of the 250,000 present French population, over 60,000 French who can speak no English. If fifteen per cent. of these have learned English there will still remain well over 50,000 who know none. So that instead of 38,000 as in 1901 there are now over 50,000 French to whom all English is unknown. That is, there are 12,000 more people in Ontario who cannot speak English to-day than was the case ten years ago, or an increase of over 1,000 a year; and those 1,000 people a year are not immigrants from foreign shores but youths educated under Ontario's school system. The probabilities are that the numbers are greater than the foregoing figures indicate." Meanwhile, the matter had been discussed in the Legislature and Dr. F. W. Merchant appointed by the Government to investigate the subject while echoes of the controversy found a place in Quebec where *Le Devoir* (Nat.) denounced the above statement of *The Star* and declared that "there is only one way to prohibit French in Ontario and now it is too late to try it; that would be to deny entrance into the Province of every French-Canadian." At this time, also, the French-Canadians of New Ontario got into controversy with Bishop Scollard of Sault Ste. Marie—a diocese said to contain 25,000 French in a population of 30,000 Catholics

—and *L'Action* of Montreal wrote some fiery articles upon the issue.

Politically the issue was obvious. If the Orange vote was stirred up against the Whitney Government for alleged looseness of administration in this connection it would mean Liberal gains in some ridings; if the French-Canadians found that the Government was about to take strong measures for the restriction of French in the schools it would mean certain Liberal gains in several other constituencies. The long-extended inquiry of the Toronto *Star* into the question would, therefore, have been politically embarrassing had it not been for the appointment of the Government's Commission which left the matter for settlement after the Electoral excitement was disposed of. The various correspondents of this paper sent most sensational reports from time to time. Cobalt teachers were said (Dec. 8) to "keep French on a par with English" and the language itself to be rapidly becoming dominant in Northern Ontario; French was said (Nov. 22) to be "the real language of schools in 90 per cent. of rural New Ontario"; it was asserted (Nov. 20) that "with the start the French have now, in another quarter of a century when the population of New Ontario will be about 2,000,000, three-quarters of them will be French." On this latter date *The Globe* stated that Quebec Church Societies were making tremendous efforts to colonize New Ontario in particular and other regions in general. "Canada's colonization and the enhancing of the power of the Church is the slogan of these societies, and little strings of settlements along the lines of the National Transcontinental and T. & N. O. in New Quebec, in Nova Scotia and in the far West—where a tract of over 1,800 square miles has been purchased by a Catholic colonization Society—all testify to the thoroughness with which the work is being carried on." The conclusions of *The Star* correspondents may be summarized here as to its inquiries in 40 schools: "In practically all the schools French is used to a predominating extent in teaching the junior classes of French children; in a great many of the schools French is the language of the school, right through to the highest classes, English being taught merely as an academic study; in some schools no word of English is ever spoken; in practically all of them, even where English is taught to a greater or lesser extent, a portion of the day, not generally less than an hour, or an hour and a half, is devoted, in even the highest classes, to the teaching of French."

Meantime there had been some natural controversy within the political parties. The 6th Ward Conservatives of Toronto (Oct. 27) adopted a Resolution in favour of "entirely abolishing the French language in Public and Separate Schools" while the Orange *Sentinel* and Orange speakers were, as a rule, inclined to await the Merchant report while taking strong ground against any succeeding allowance of Bi-lingualism. The journal in question

on Nov. 9th said, in large letters on its front page, that "the supreme question in Ontario politics is the abolition of Bi-lingual schools." The Liberal attitude was one of teaching English thoroughly and solely—except when French was the only tongue known to the pupil. This was practically the law and regulation as it stood (59 Vict., Cap. 70, s. 76): "It shall be the duty of every teacher of a Public School to use the English language in the instruction of the school, and in all communications with the pupils in regard to discipline and management of the school, except where impracticable by reason of the pupil not understanding English. . . . Recitations requiring the use of a text-book may be conducted in the language of the text-book."

In a letter to W. K. McNaught, made public on Nomination day, Sir James Whitney said: "Dr. Merchant was instructed to make a careful and exhaustive examination of the conditions in the schools. When his Report is received, if it shows that any schools are not conducted in accordance with the terms of the Resolution (passed by the Legislature in exactly the same terms as the Regulation above quoted) the Department will at once take steps to compel compliance with such terms." In Essex, on Nov. 23rd, the Premier explained the Parliamentary Resolution and the law as follows: "That means that an English education is expected to be secured in the Public Schools of this Province. This regulation never caused any trouble before. If children can't understand English the only thing to do is to get them to understand the subjects taught in the Public Schools by means of their own language. French, however, would be taught only until they understood English."

Dr. Forbes Godfrey, W. K. McNaught, Thomas Crawford, W. D. McPherson, G. Howard Ferguson, Colonel J. J. Craig, and some other Conservative candidates wanted no French of any kind taught in Public Schools—an attitude also adopted by the Toronto *Telegram* which on Dec. 1st based its arguments on the fact that 140 million people now used the English language in business, social and home life. Dr. Pyne, Minister of Education, stated on Oct. 29 that there were 300 schools being investigated and expressed the opinion that English should be the language of instruction in all schools. The Toronto *News* (Nov. 24) took the ground that Bi-lingualism meant "confusion and inefficiency" and that it was a national duty (Nov. 20) "to make English the language in the schools" of Ontario. The Hon. J. J. Foy, Attorney-General and, personally a Roman Catholic, explained his position as follows on Nov. 20th:

> I desire to give my views on the question of the schools and to put them briefly and clearly. To avoid imperfect reporting I have written them down and will hand them to the press. My views are that the English language should be thoroughly taught in our schools to every pupil by teachers competent to teach English; that no other language should

be taught in these schools; that such is the law which should govern us; that there cannot lawfully be any Bi-lingual schools in the Province of Ontario, and if any are found they must cease to exist and care should be taken to make all schools conform to the law. I wish to add that this policy is not one that is in the slightest way unfriendly to any portion of the community but, on the contrary, is in the interest and for the benefit of each one of the rising generation. It will remove what would otherwise be a drag on many a youth in the race of life, and enable him to fairly compete with his fellows on an equal footing.

To this statement L'Association Canedienne Francaise d'Education d'Ontario responded at once through a letter in *The Globe* signed by its Secretary: "The Association is as anxious as any body or individual that the English language shall be taught to all French-Canadian children of Ontario as thoroughly as possible; but it will, with all the constitutional means at its disposal, and with all the energy and activity it can command, insist upon the exercise of at least those rights that are recognized to the French-Canadians and which they have enjoyed for many years with the sanction and co-operation of the Department of Education in Ontario." The Hon. J. O. Reaume, Minister of Public Works, whose faith and race and constituency inclined him to look indulgently on the subject, defined the position as follows on Nov. 29th: "Sir James Whitney's attitude is that while English should be made the language of the schools, as far as practicable, and while it is maintained that every child should receive an English education, we are not against the French-Canadians and Germans having their children started in their mother tongue, as a means to an end, and having their mother tongue taught in the schools as a subject when so desired by trustees representing the people of the school section." At North Bay (Nov. 29) Mr. N. W. Rowell addressed a large French-Canadian gathering and while declaring that English instruction was for the good of the French-Canadian children* went further than he had yet done in the direction of tolerance: "I also say that the State has no right to say that these same children should grow up without further knowledge of the language which they first lisped at their mothers' knees."

The Elections were now drawing to a close and the few further incidents can only be briefly summarized. The Ottawa *Citizen* (Cons.) of Dec. 8th made a vigorous attack on the Provincial Police system—especially in its New Ontario *personnel*—and the Toronto *Globe* (Lib.) kept up a keen campaign for reform in this respect; the Toronto *Star* of Oct. 21st, while claiming that Mr. Beck got his inspiration as to the Power policy from the municipalities, paid this tribute to the undertaking as a whole: "We believe that the public Power service is one of the best things ever undertaken in Ontario or in any other State or country. It is a breaking away from the old and narrow plan of having private

* NOTE.—Report in Toronto *Star* of Nov. 30, 1911.

owners in control of a monopoly which could have become a very oppressive one." On Oct. 28 T. C. Robinette, K.C., suggested items for a Liberal platform which included (1) absolute control by the Province of the retail liquor business; (2) woman suffrage; (3) public ownership of Telephones and Telegraphs and extension of the Government Railway and Power systems. The result of the Elections on Dec. 11th was a triumph for the Whitney Government with exact returns as follows:

Constituency.	Conservative Candidate.	Liberal Candidate.	Member Elected.	Maj.
Addington	William D. Black.		William D. Black.	Accl.
Algoma	Albert Grigg	Thomas Wigg	Albert Grigg	661
Brant North	J. W. Westbrook.	Jas. R. Layton	J. W. Westbrook.	176
Brant South	W. S. Brewster	M. E. Harris	W. S. Brewster	384
Brockville	A. E. Donovan	George E. Smart.	A. E. Donovan	449
Bruce Centre	W. H. McFarlane.	Wm. Macdonald.	W. Macdonald	104
Bruce North	H. A. Vandusen	C. M. Bowman	C. M. Bowman	391
Bruce South	Robert E. Clapp.	J. G. Anderson	J. G. Anderson	305
Carleton	Robt. H. McElroy.	Clarke Craig	Robt. H. McElroy.	454
Dufferin	C. R. McKeown	Robert J. Woods.	C. R. McKeown	276
Dundas	Sir Jas. Whitney.	Robert S. Muir	Sir Jas. Whitney.	921
Durham East.	Josiah J. Preston.		Josiah J. Preston.	Accl.
Durham West.	John H. Devitt	Arthur A. Powers.	John H. Devitt	226
Elgin East	Chas. A. Brower.	Daniel McIntyre.	Charles A. Brower.	581
Elgin West	F. G. Macdiarmid.	H. S. McDiarmid.	F. G. Macdiarmid.	1,268
Essex North	Hon. J. O. Reaume.	S. Ducharme J. R. Mason (Ind. Cons.)	Hon. J. O. Reaume.	53
Essex South	Dr. C. N. Anderson.	Richard R. Brett.	Dr. C. N. Anderson.	130
Fort William.	Charles W. Jarvis.	James Tonkin	Charles W. Jarvis.	254
Frontenac	A. M. Rankin	Rev. J. P. MacInnes	A. M. Rankin	621
Glengarry	Col. D. M. Robertson	Hugh Munro	Hugh Munro	264
Grenville	G. H. Ferguson.		G. H. Ferguson	Accl.
Grey North	George M. Boyd.	Hon. A. G. MacKay	Hon. A. G. MacKay.	741
Grey Centre	Hon. I. B. Lucas.	P. McCullough	Hon. I. B. Lucas.	1,172
Grey South	Dr. D. Jamieson.	William Calder.	Dr. D. Jamieson.	363
Haldimand	Dr. Wm. Jacques.	Christian Kohler.	Christian Kohler.	425
Halton	Dr. A. W. Nixon.	Robt. D. Warren.	Dr. A. W. Nixon.	332
Hamilton E.	Wm. H. Cooper	Allan Studholme.	Allan Studholme	679
Hamilton W.	Hon. J. S. Hendrie.	James Russell	Hon. J. S. Hendrie.	1,445
Hastings E.	Alex. Grant.		Alex. Grant.	Accl.
Hastings N.	Robert J. Cook.		Robert J. Cook.	Accl.
Hastings W.	John W. Johnson.		John W. Johnson.	Accl.
Huron Centre.	Rev. J. Elliott.	Wm. Proudfoot	Wm. Proudfoot	216
Huron North.	A. H. Musgrove.	Wm. H. Kerr	A. H. Musgrove	267
Huron South.	Henry Eilber.	Edmund Zellar.	Henry Eilber.	279
Kenora	H. A. C. Machin.	John T. Brett	H. A. C. Machin	446
Kent East	P. H. Bowyer	W. R. Ferguson.	W. R. Ferguson	212
Kent West	Geo. W. Sulman.	Edwin Hea	Geo. W. Sulman	867
Kingston	Arthur E. Ross.		Arthur E. Ross.	Accl.
Lambton E.	J. B. Martyn.	R. J. McCormick.	R. J. McCormick.	89
Lambton W.	Hon. W. J. Hanna.	W. A. Henderson.	Hon. W. J. Hanna.	1,061
Lanark North.	R. F. Preston.		R. F. Preston.	Accl.
Lanark South.	Hon. A. J. Matheson		Hon. A. J. Matheson	Accl.
Leeds	J. R. Dargavel.	Wm. J. Wilson.	John R. Dargavel.	162
Lennox	T. G. Carscallen.	M. S. Madole.	T. G. Carscallen.	79
Lincoln	Elisha Jessop.		Elisha Jessop.	Accl.
London	Hon. Adam Beck.		Hon. Adam Beck.	Accl.
Manitoulin	Robt. R. Gamey.	Robert Tilson.	Robt. R. Gamey.	829
Middlesex E.	George Neely.	Robt. Sutherland.	Robt. Sutherland.	25
Middlesex N.	D. MacArthur.	John Grieve.	D. MacArthur.	35
Middlesex W.	Neil Galbraith.	John C. Elliott.	John C. Elliott.	582
Monck	James A. Ross.	Thos. Marshall.	Thomas Marshall.	154
Muskoka	A. A. Mahaffy.	John Galbraith.	A. A. Mahaffy.	1,410
Nipissing	Henry Morel.	Robt. Rankin.	Henry Morel.	808
Norfolk N.	W. M. McGuire.	T. R. Atkinson.	T. R. Atkinson.	328
Norfolk S.	Arthur C. Pratt.	Geo. Hammond. F. A. Ravin (Soc.).	Arthur C. Pratt.	377

Constituency.	Conservative Candidate.	Liberal Candidate.	Member Elected.	Maj.
Northumberland East	S. G. M. Nesbitt	T. J. Atkinson	S. G. M. Nesbitt	1,023
Northumberland West	H. McCullough	Samuel Clarke	Samuel Clarke	233
Ontario North.	Wm. H. Hoyle	Peter McMillan	Wm. H. Hoyle	497
Ontario South.	Charles Calder	W. E. N. Sinclair.	W. E. N. Sinclair	247
Ottawa East	N. Champagne	Louis J. Kehoe	N. Champagne	1,275
Ottawa West.	James A. Ellis	G. S. Henderson	James A. Ellis	2,102
Oxford North.	Robert Lockhart	N. W. Rowell	N. W. Rowell	560
Oxford South.	William McGhee	T. R. Mayberry	T. R. Mayberry	203
Parry Sound	John Galna	A. E. Bradburn	John Galna	1,075
Peel	Samuel Charters	Robert Smith	Samuel Charters	716
Perth North	James Torrance	John Brown	James Torrance	372
Perth South	John Bennewies	Valentine Stock	John Bennewies	73
Peterborough East	James Thompson.	E. Hawthorne, D. Andrews (Ind.)	James Thompson	503
Peterborough West	Edward A. Peck	Robert R. Hall	Edward A. Peck	618
Port Arthur	D. M. Hogarth	Frederick Urry	D. M. Hogarth	942
Prescott	G. H. Pharand	G. Evanturel	G. Evanturel	284
Prince Edward.	Robt. A. Norman.	S. E. Mathie	Robt. A. Norman.	587
Rainy River	Wm. A. Preston.	Jas. A. Mathieu.	Jas. A. Mathieu	286
Renfrew N.	E. A. Dunlop.		E. A. Dunlop.	Accl.
Renfrew S.	T. W. McGarry.		T. W. McGarry.	Accl.
Russell	W. J. W. Lowrie.	Damase Racine	Damase Racine	1,342
Sault Ste. Marie	Hon. W. H. Hearst.		Hon. W. H. Hearst.	Accl.
Simcoe Centre.	A. B. Thompson.	Hampton E. Jory.	A. B. Thompson.	95
Simcoe East.	James I. Hartt	Erastus Long	James I. Hartt	329
Simcoe South.	Alex. Ferguson		Alex. Ferguson	Accl.
Simcoe West.	Hon. J. S. Duff.		Hon. J. S. Duff.	Accl.
Stormont	John C. Milligan.	A. F. Mulhern	John C. Milligan.	225
Sturgeon Falls.	A. A. Aubin	Zotique Mageau	Zotique Mageau	147
Sudbury	Charles McCrea.	F. H. Sangster	Charles McCrae	1,394
Temiskaming	R. T. Shillington.	A. W. Roebuck	R. T. Shillington.	264
Toronto E—A.	Hon. R. A. Pyne.	David Bulloch	Hon. R. A. Pyne	2,377
Toronto E—B.	T. R. Whitesides.	John B. Reid, James Stevenson.	T. R. Whitesides.	1,707
Toronto N—A.	W. K. McNaught.	Wm. Stephenson.	W. K. McNaught.	3,852
Toronto N—B.	Hon. J. J. Foy	Joseph Oliver, James Richards.	Hon. J. J. Foy	708
Toronto S—A.	E. W. J. Owens	W. R. James	E. W. J. Owens	1,824
Toronto S—B.	G. H. Gooderham.	E. Fielding	G. H. Gooderham.	1,938
Toronto W—A.	Hon. T. Crawford.	John Hunter, Robert B. Noble.	Hon. T. Crawford.	3,950
Toronto W—B.	W. D. McPherson.	James Watt	W. D. McPherson.	3,476
Victoria East.	Robt. M. Mason.		Robt. M. Mason	Accl.
Victoria West.	A. E. Vrooman	Chas. E. Weeks, E. J. Johnson.	A. E. Vrooman	104
Waterloo N.	H. G. Lackner.	Wm. D. Euler, Hulkiah Martin.	H. G. Lackner.	193
Waterloo S.	George Pattinson.	John Taylor, Jr., Jas. P. Maguire.	George Pattinson.	997
Welland	James J. Craig	C. F. Monroe	Evan E. Fraser	805
Wellington E.	H. C. Schofield	U. Richardson	U. Richardson	337
Wellington S.	W. C. Chambers	J. T. McIntosh	H. C. Schofield	450
Wellington W.	William Lawson.	James McEwing.	W. C. Chambers	125
Wentworth N.	James T. Regan.	James McQueen.	James McQueen	29
Wentworth S.	Evan E. Fraser, Alex. McCowan.	Daniel Reed, William Barrett.	James T. Regan.	105
York East.		William D. Annis.	Alex. McCowan.	782
York North.	T. H. Lennox.	Jesse M. Walton.	T. H. Lennox.	493
York West.	Forbes Godfrey.	Geo. W. Verral.	Forbes Godfrey.	1,325

Both parties expressed satisfaction with a result which gave 83 Conservatives to 22 Liberals and one Independent, or a nearly four-to-one majority for the Government. The *News* comment dealt with the Rowell policy as not definite enough along certain lines to arouse the moral enthusiasm of his party; described a considerable reduction in the Government's majority as having been possible after giving a dozen good men to the Parliament at Ottawa; and declared that " the North country went almost solid

for the Government and the Liberal gains were largely attained by the aid of the French-Canadian vote which may be taken as indicating that the advocates of Bi-lingualism expected more from Rowell than from Whitney." Sir James Whitney simply said: "The endorsement is phenomenal, indeed. It will certainly encourage the Government to continue its best efforts for the advancement and prosperity of the people of the Province who have again given us such signal evidence of their confidence."

As the Liberal vote showed a gain of four seats this fact gave much pleasure to the Opposition. Mr. Rowell, himself, received a largely increased Liberal majority (560) in North Oxford and to the press he made this statement: "The results show that the Liberals made what may be considered a substantial number of gains. But, unfortunately, we suffered a number of serious losses. It is satisfactory that the Liberal Party should have made gains as a net result because it entered the contest disorganized by the serious defeat on Sept. 21st. It had neither organization, literature, nor the funds to provide for even the most necessary arrangements." Under these conditions he refused to feel discouraged. Mr. A. G. MacKay was elected by the large majority of 741 in North Grey as compared with 71 in 1908. The Conservative individual majorities were very large and, apart from the 17 acclamations, there were 33 seats giving over 500 and up to as high as 3,800 Conservative majority. The Bi-lingual issue probably defeated Government candidates in two French-Canadian constituencies; it did not affect Ottawa where Mr. Champagne (Cons.) advocated Bi-lingual schools without regard to his Leader's policy; it nearly defeated Hon. J. O. Reaume in North Essex. As to the popular vote there was a natural decrease in numbers owing to lack of interest in the contest and even the registration was less than in 1908—39,414 new voters in 1911 compared with 44,947.

VI.—PROVINCIAL AFFAIRS—QUEBEC.

Resources and Development of the Province

There was considerable discussion during the year as to Quebec's pulpwood. It was caused, naturally, by the increased United States demand and by the terms, in this respect, of the Reciprocity Agreement. The importance of the industry was indicated in the fact that as far back as 1905 the value of paper used in the United States from $57,000,000 worth of pulp was $188,000,000—while the original pulpwood was only worth $23,000,000—and the estimated total return from industries in which the paper was used was $406,000,000. These figures, if available for 1911, would have been much greater. Mr. H. Bourassa drew the attention of the Quebec Legislature to this subject on Mch. 9th and stated that in 1906 there were in Canada 31 pulp and paper mills, of which Quebec owned twelve with two-thirds of the total capitalization or about $15,000,000. These institutions employed 3,500 workmen who manufactured $6,000,000 worth of paper annually. Since then two more pulp factories had opened up in the Province with $4,000,000 capital and employing 800 workmen.

He drew attention to the supreme position of Quebec among the Provinces as a wood and paper producer. In the United States 15,000 tons were used a day while Canada, as yet, could only produce 1,000 tons a day. Quebec, he pointed out, exported 1,000,000 cords of pulpwood valued at $6,000,000. "If this was manufactured in the Province into pulp and sold it would bring a return of $18,000,000. If this wood-pulp was further converted into paper and marketed it would make about 800,000 tons of paper which, at $50 a ton, would net the Province $40,000,000. Thus, manufacturing the paper in the Province would give six or seven times the economic value to the national product." At the close of 1911 there were 25 pulp mills in operation in the Province, and 20 paper mills. As a result of the Government policy of forbidding export from Crown Lands both these kinds of mills were steadily increasing in number. According to a special correspondent of the Toronto *Globe*:* "The enactment of Sir Lomer Gouin will tend more and more to bring about the manufacture of paper in this Province. In addition the Conservation movement is having its influence in educating the people to manufacture their own raw products instead of exporting them to be

* Note.—March 2nd, 1912.

manufactured abroad. Everything combines to make the Province of Quebec the greatest pulp and paper manufacturing centre on the North American continent. This Province possesses half of the pulp and paper mills in operation in Canada and consumes 57 per cent. of the pulpwood produced in Canada." The local consumption of pulpwood had, in fact, increased from 255,000 cords in 1908 to about 400,000 cords in 1911. It was stated on May 23rd by John Norris, President of the American Newspapers Association that United States paper-makers owned 12,000 square miles of timber rights in Quebec from which, however, they could not ship raw pulpwood because of the Provincial prohibition of May 1, 1910.

These conditions were obviously appreciated by capitalists and during this year, or late in 1910, the British-Canadian Corporation of Montreal, with $20,000,000 nominal capital, was incorporated, while Price Bros., Ltd., of Quebec incorporated their Company, increased their capitalization, acquired a number of new limits and mills, made arrangements to build additional paper mills, secured control of the Jonquiére Pulp Company, and planned to erect a large paper mill at Lac au Sable on the Saugenay River with a daily output of 150 tons and giving employment to 1,000 men. To finance their project they floated bonds to the amount of $6,000,000 and the flotation was largely over-subscribed. The Wayagamach Pulp and Paper Co. of Three Rivers was incorporated with $5,000,000 authorized capital and $3,000,000 underwritten. Operations were started but this and two other concerns were absorbed by the Canadian Pulp and Paper Co., incorporated as a holding Company, with $10,000,000 capital. It was composed of a number of Montreal capitalists including Rodolphe Forget, M.P., J. N. Greenshields, K.C., and C. J. McCuaig, and they were said to have acquired 1,100 square miles of timber limits on the St. Maurice River. The Brompton Pulp & Paper Co. also purchased various limits and another plant and enlarged their own mills. As to general Forest conditions in the Province Hon. Jules Allard, Minister of Lands and Forests, stated on Jan. 18 at Quebec that:

The total area of the Province is 346,875 square miles, representing in round figures, 222,000,000 acres. This is divided as follows: (1) lands granted in fiefs and seigneuries, 10,676,931; (2) land grants from the Crown by letters-patent, sales, free grants, etc., 11,334,723; (3) lands under timber licenses 45,034,880. Of classes 1 and 2 ten million acres are under cultivation, about six million acres are timber lands and the remainder is cleared, uncultivated, or is composed of pasture lands. The total disposed of as above enumerated is 67,048,534 acres which, subtracted from the total area of the Province, leaves in the possession of the Crown and absolutely available, 154,951,466 acres. Out of the 45,000,000 acres leased or under license 12,400,000 were leased previous to Confederation and 32,600,000 subsequent to the date thereof (1867). This leasing system (which is erroneously called a sale) was effected by mutual agreement or by auction; but since 1872 it has always been effected by

public auction. The amount paid at the time of the adjudication represented the premium or bonus offered in addition to the ground rent and the stumpage dues. This lease is for one year only but the lessee has the right, within four months after the expiration thereof, to renew it for another year. The Crown remains proprietor of the ground, and even of the trees remaining uncut by the lessee. . . . The only timber lands in the Province of Quebec belonging definitely and absolutely to individuals are those situated on seigneuries. The Government has nothing to do with the disposal of them and those granted by letters-patent for agricultural purposes after complying with certain restrictions as to clearing. Besides the area thus disposed of the Province still owns 45,000,000 acres under timber cutting licenses and from which we derive the greater part of our revenue. The balance of land is still available and contains 155,000,000 acres entirely owned by the Province. From this deduct 50 per cent. to make up for cleared patches, land occupied by lakes and rivers and burnt districts, and our forest area still contains 77,000,000 acres, on which we may rely for the future. The Forest Reserves cover an area of 111,400,900 acres.

In Agriculture the area under field crops in 1909 was 4,905,000 acres, according to Federal figures, in 1910 5,137,000 acres and in 1911 5,194,000 acres; the values were, respectively, $90,071,000, $97,107,000 and $103,187,000. Of butter the value in 1910 was $9,895,343 as compared with $4,916,756 in 1900; of cheese the respective figures were $6,152,689 and $7,957,621. According to classes (Federal statistics) the field crops in 1911 were worth $100,000,000 as follows:

Crop.	Area.	Yield per Acre. Bush.	Total Yield. Bush.	Total Value.
Spring Wheat	71,086	17·73	1,260,000	$1,492,000
Oats	1,430,677	26·22	37,512,000	19,769,000
Barley	106,010	22·76	2,413,000	1,892,000
Rye	20,440	15·72	321,000	324,000
Peas	33,048	15·91	526,000	722,000
Buckwheat	110,609	22·57	2,496,000	1,835,000
Mixed Grains	130,950	25·58	3,350,000	2,298,000
Flax	1,719	11·31	19,000	33,000
Beans	10,612	17·14	182,000	359,000
Corn for Husking	25,273	30·32	766,000	773,000
Potatoes	137,574	126·73	17,435,000	11,681,000
Turnips, etc.	14,759	291·18	4,298,000	1,590,000
		(tons)		
Hay and Clover	3,022,099	1·90	5,742,000	58,396,000
Fodder Corn	39,244	8·75	344,000	1,648,000
Alfalfa	10,387	3·75	39,000	375,000

In Minerals the total production between 1899 and 1910 was valued at $58,000,000 or nearly an average of 5 millions a year; in 1910 the exact production had been $8,270,136 and in 1911 $9,087,698. These were Federal figures and the Provincial ones showed a slight reduction over the entire period with statistics for 1910 and 1911 standing respectively at $7,323,281 and $8,567,143. Of these products, according to the Provincial statement, asbestos was the chief with $2,939,006 as the product in 1911. Copper and sulphur ores followed worth $240,097, cement $1,931,183, marble $143,457, granite $308,545, lime $284,334, limestone $1,081,059, bricks $1,135,501, tiles, etc., $100,000, and sand $114,500. There were some unfavourable conditions.

Asbestos decreased in average value from $33.09 per ton in 1910 to $29.58 as a result of over-production; the iron-ore industry continued to decline in the districts of St. Maurice and Drummond and nothing took the place of these old-time areas though iron-ores were known to exist in large deposits, high in iron, at Bay St. Paul, Seven Island, St. Jerome, St. Lin and other points—carrying in some cases large amounts of titanium; the Report of the Government Survey in the Lake Chibougamou region was made public in January and proved very unfavourable in the sense that while the presence of gold was encouraging and iron was present in large quantities with plenty of lead and zinc-blende yet the distance from civilization made development for the present impossible, and the investigators did not deem the mineral deposits so far discovered as justifying the proposed building of a Government railway into the region.

Peter McKenzie of Montreal, the original explorer of the Chibougamou, persisted in his opinion of its resources and on Jan. 18th told the press from personal knowledge that: "The district is not only exceedingly rich in minerals but a great part of it is also suitable for settlement purposes. There are also vast forests of spruce trees available for pulp manufacturing." He quoted A. P. Low and John Hardman as to the minerals and declared that development would go on with or without Government aid. The *Canadian Mining Journal* in April appeared to think conditions still favourable: "The Report agrees that the rock formation is all that could be desired, in fact, equally favourable in every way to the formation which extends across northern Ontario to Labrador coast. The practical mining man knows that had the party which made the Report spent their time on a plot of fifty square miles their conclusions could only be taken as an outline of the geological formation and in no way final as to the mining possibilities of the area." This certainly had been the case at Cobalt in early examinations of the region.

Great interest was taken in the Temiskaming section running into the Province from Ontario and to the press on May 23rd Hon. C. R. Devlin, Minister of Colonization, Mines and Fisheries, said: "Reports from the district are decidedly favourable and a greater number of claims have been staked out during the past three months than in any corresponding period in the Province of Quebec's history. Charters have been secured from the Government for the construction of a railway in the Abitibi district and correspondence is now passing between the Government and capitalists towards the realizing of the projects." It may be added here that during the Legislative Session and under the auspices of Mr. Devlin a Mining measure was passed. It reduced the mining licenses to a yearly rental of 50 cents an acre instead of $1. It provided for the issue of miners' certificates which

entitled the holder to stake out claims to a maximum of 200 acres on lands the mineral rights of which belonged to the Crown. After staking and registering a claim this could be held for six months without any disbursement. At the expiration of six months a mining license was to be taken out and work to the extent of 25 days a year for each 40 acres was exacted. This mining license was renewable, yearly, on proof that the working conditions had been fulfilled. If preferred, a patent could be obtained by buying the claim outright at the rate of $20 or $10 an acre, according to its distance from a railway, and in this case all the money paid as rental for mining licenses would be deducted from the purchase price.

The vast, unknown, and newly-acquired Territory of Ungava was an interesting portion of Quebec's expansion during the year. Its iron-ore possibilities were thought to be very great and although coal, oil, and natural gas were not supposed to be available there were considerable water-powers in the region—the Falls at Hamilton Inlet being reported as larger than Niagara and possessing 9,000,000 horse-power according to one estimate. There had been alleged gold discoveries in the region but no proofs of actual resources in that respect were produced. According to an exploration party sent out some years before this by Senator W. C. Edwards, Agricultural prospects were poor, timber resources were large and valuable with great quantities of pulpwood, water powers were splendid and Hamilton Inlet available for Atlantic shipping during a considerable portion of the year. It seems very probable that history will repeat itself in this region and that now unknown resources and riches will unfold themselves for the use of the people in what the year 1911 made the largest Province of Canada.

As to general resources the appointment of Mr. J. P. Pelletier as Quebec's Agent-General in London caused some new light to be thrown upon conditions. To the *Canadian Gazette* of Nov. 16 Mr. Pelletier described Quebec as having been somewhat overlooked by British capitalists. Yet out of Canada's 25,000,000 of known horse-power in its great lakes and rivers Quebec was said by him to own 17,000,000; pulpwood was everywhere in its 150,000 square miles of Forest area; it was rich in minerals with much scope for investment in asbestos, mica, cobalt, iron, copper, etc. Of the Temiskaming country he said much to *Canada* on Dec. 30th. It was very rich in farming land with, already, 6,000 families in settlement; the Government had built an excellent 100-mile road into the region and would within two years build a railway connecting it with Montreal and the sea; Government mining engineers reported good mineral prospects—as good, perhaps, as in the Ontario adjoining country of Cobalt fame.

To the same journal on Dec. 2nd Mr. C. R. Devlin was most

optimistic as to what he called New Quebec: "There we have a territory as extensive and comparatively untouched as New Ontario, while the Counties of Gaspé, Bonaventure, Temiscouata, and others on the south shore of the River St. Lawrence are also calling out for capital and labour. Then there is the splendid Lake St. John district. In the Temiskaming area of Northern Quebec (adjoining the Cobalt and Porcupine areas of Ontario), where two years ago there was scarcely a living soul except a sportsman or a prospector, there are already flourishing villages, accessible by good roads, to good markets. As we improve transportation facilities land here is being quickly taken up. Portions of these rich areas are already reached by railway *via* Toronto and the C.P.R. will soon have an important line in operation on our side of the boundary. The district is rich in fertile soil, is well wooded, and has an abundance of rivers and lakes. We are only beginning to realize the possibilities of our wealth in minerals and water-powers." Miscellaneous facts as to Quebec may be tabulated as follows:

Production of Fisheries, 1910-11	$1,692,475
Production of Fisheries since 1867	$90,000,000
Mutual Fire Companies—Amount of Policies (1910)	$37,274,484
Total Imports in 1910-11	$141,370,494
Total Exports in 1910-11	$123,725,620
Railway Mileage in 1911	3,884
Number of Bank Branches, 1911	310
New Bank Branches opened in 1911	46
Aggregate capital of New Incorporations (1911)	$257,520,633
Clearing-house Returns (1911)	$2,503,807,021
Municipal Bond Sales (1911)	$2,591,500
New Building Operations in 1911	$18,310,723
Lumber cut (1910)	$11,340,323
Immigration, 1910-11	42,914

Of general conditions in the Province Sir Lomer Gouin said at the close of the year:* "It was only in 1911 that Quebec fully entered into her own so far as her dairy produce was concerned. Her output of cheese was larger in the year just past than ever before, while the nearness to perfection in quality is indicated by the fact that Quebec-made cheese in 1911 shared the highest prices paid on the Canadian market. . . . The raising of beef has assumed great importance in the Eastern Townships, and market gardening, especially in the vicinity of the City of Montreal, is yearly becoming more profitable. The apple crop of the Montreal district and of the Eastern Townships is also a source of considerable revenue to the proprietors of orchards. Bacon, as well as fruit interests, show a satisfactory annual advance and there is a gratifying improvement in the breeds of horses and cattle. . . . Enormous pulp and paper plants are springing up in different parts of the Province, as a direct result of the timber and pulpwood policy of the present Administration."

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* NOTE.—Toronto *Globe*, Jan. 1, 1912.

Government and Political Conditions in 1911

There were no changes in the Government of Quebec during the year except that the Lieut.-Governor, Sir C. A. P. Pelletier, who had been associated with the politics and Bench of the Province for over 40 years, died and, on May 5th, was succeeded by Sir Francois Charles Stanislas Langelier, Chief Justice of the Superior Court since 1906. Sir Lomer Gouin maintained the even course of his administration during 1911, pressing forward reforms and improvements in the School system, meeting the occasional fiery attacks of his Nationalist critics with equanimity, sharing in the Liberal campaign for Reciprocity, perhaps more as a follower of Sir W. Laurier than as an enthusiast regarding the project itself. The Provincial Legislature of Quebec and that of Alberta were, in fact, the only ones in Canada which did not put their opinions on record. Of the result, on Sept. 25th, Sir Lomer Gouin said, in succinct words: " Sir Wilfrid Laurier was defeated by sentiment and will be restored to power by reason."

Speaking in the Legislature on Mch. 17th the Premier stated that Technical schools would be established throughout the Province whenever the population of a town warranted such action and defended the new Montreal School as promising many benefits with 300 scholars already assured. In the early Session he was in Europe and, on July 7th, told the Montreal press that there would be no Provincial election during this year. He was enthusiastic about the Coronation: " It was the most magnificent sight that I could imagine. The august character of the ceremony, the beauty of the hymns and music, the enormous crowds and the brilliant costumes, will remain imprinted on my memory as forming the grandest sight I ever witnessed. And the perfect order in which everything was arranged was the most remarkable aspect of the entire celebration. It was a splendid demonstration of the English sense of order and method."

On July 28 it was announced that an Agent-General for the Province in London would be appointed at once in order to make Quebec better known and to interest British capital in its resources and development. On Aug. 7th the Hon. J. M. Pantaléon Pelletier, Speaker of the Legislative Assembly, was appointed to the position. A large deputation, representing the Montreal Board of Trade and Chambre de Commerce, the Building Exchange and the Chambers of Commerce at Sherbrooke, Sorel, St. John's, Quebec, Lévis, Granby, Marieville, Rouville, Lachute, St. Jerome, Fraserville and Rimouski, met Sir Lomer Gouin on November 3rd and presented a Memorial asking for the abolition or reduction of the Tax on Commercial Corporations. In reply he pointed out that the Government was frequently being asked for new or increased grants and as frequently for reduced taxation in specific directions. " How can we increase our expenditure and also reduce our sources of revenue? It is not the best

SIR RODOLPHE FORGET, M.P.

Appointed (1911) President La Banque Internationale du Canada.

MR. HENRY VINCENT MEREDITH.

Appointed (1911) General Manager of the Bank of Montreal.

argument to say that the treatment of corporations in Quebec is different to Ontario, for I must remind you that there are many taxes imposed in Ontario that are not enforced here. We have done much to establish Technical Education in this Province and are prepared to do more. We spend $400,000 in good roads this year and expect to spend double that amount next year; but all this takes money and if the Tax complained of, which nets us a revenue of $600,000, is abolished there would be a certain deficit next year." Reduction might be discussed but abolition was impossible.

Appreciation of the Government's policy in Educational matters was expressed by McGill University which, on Nov. 3rd, conferred the Honorary degree of LL.D. upon the Premier. It was stated in this connection that only posterity could do justice to this work; in 1905 the expenditure on Education was $480,000 and now it was over a million and steadily increasing. In the Premier's reply stress was laid upon the great needs of elementary education and the low salaries still paid to teachers. A few days later (Nov. 8) the Council of the Montreal Board of Trade declared that the time had come for Government support to be given McGill and Laval Universities; and, on the 17th, a deputation from McGill, headed by C. M. Hays and Sir Edward Clouston, urged that $100,000 a year or a capital sum of $1,000,000 each should be granted these institutions. The Premier was doubtful as to the matter. "We are now giving about a million more to primary education than in 1896. I feel that an annual subsidy of $100,000 to one institution would compel us to increase our grants to primary education, and to other institutions of higher education, to figures that we could not meet." On Nov. 23rd the University of Bishop's College also requested assistance and were told that whatever was done for McGill and Laval they would receive in proportion. Speaking at the opening of the Canadian Health Association at Montreal on Dec. 13th Sir Lomer stated that the Government proposed to divide the whole Province into ten sanitary districts, each of which was to be placed under the direction of an expert who would report direct to the Government. Arrangements for this were already under way and it was the intention to appoint these hygienic experts from the Universities of McGill and Laval by competitive examination.

Amongst the public incidents of the year was the Report of the Minister of Public Works and Labour (Hon. L. A. Taschereau) showing an expenditure for the fiscal year of $474,493 with recorded subsidies to Quebec railways totalling $10,798,230 of which $8,395,310 were paid up to June 30th and $2,287,802 had lapsed, been transferred or abandoned; the organization on Apl. 18, 1911, of a Provincial Labour Bureau at Quebec with Felix Marois as Superintendent and from which, so far, 398 positions had been filled; the Dominion Government's disallowance on June

9th of a Provincial Act to enable the General Trust Company to do a general exchange business—including certain banking powers; the Report of the Department of Colonization, Mines and Fisheries in January which stated the Colonization expenditure of the Province at $174,000, the settlement of 1,399 Colonist farmers during 1910, and estimated the value of Canada's Fur trade at $5,000,000 a year. The Report of the Metropolitan Parks Commission (J. L. Perron, K.C., Chairman) of Montreal made various recommendations with the following steps stated to be immediately necessary: "The preparation of a general plan for Montreal and its environs and the adoption of the necessary steps for carrying it out; the preparation and enforcement of regulations respecting the establishment of quarters, with model dwellings, for the working classes; the establishment of parks, squares, drive-ways and other means of communication as the development of the city and environs justifies the same." It was stated that Chicago spent $2,385,000 on its parks, Philadelphia $1,200,000 and Toronto $1,294,000. Toronto was said to have 1,600 acres of parkland and Montreal only 672. Since 1892 Boston had spent $18,000,000 on its parks and the cost of their annual up-keep was $856,000.

Other incidents included a return showing the work of the National Battlefields Commission, its progress in purchasing properties, and a balance of moneys in hand on Feb. 1st, 1911, totalling $336,778; the appropriation for this year of $250,000 for betterment of Provincial roads; a Return to the Legislature showing $584,000 paid to the newspapers of the Province from 1905 to March 14, 1911, for subscriptions, advertisements, printing, binding, etc., and including $70,114 to the Quebec *Telegraph*, $211,602 to *Le Soleil* and $136,258 to *Le Canada;* the statement of Hon. J. E. Caron, Minister of Agriculture, on May 8th, that the Government would approve of assuming three-fourths of the cost ($89,000) of the King Edward VII. road from Montreal to Rouse's Point—connecting there with the New York State road for which $1,500,000 had just been appropriated; the election of C. E. Therrien (Lib.) in Sherbrooke by acclamation, in place of Dr. Pelletier, and of P. M. L. Roy (Lib.) by 578 majority in Lévis to replace J. C. Blouin, resigned.

Official publications of the year showed $28,374,765 of authorized capital in 1910 for 180 new incorporations; a record for the Province in 1909 of 33,818 deaths, 13,467 marriages, 71,078 births and a total population of 1,845,745; a total of prisoners in the gaols of the Province (1909) numbering 7,320 of whom 5,985 were men and 1,335 women and of whom 5,289 were French-Canadians; the fact that from July 1, 1909, to June 30, 1910, the Provincial Immigration Office at Montreal found place and employment for 10,129 immigrants and that in the same period 8,191 Canadians were repatriated *via* the Rutland Rail-

way from the United States; that on Dec. 31, 1909, there were 641 Farmers Clubs in the Province with 60,033 members and a Government grant of $27,650. The following were the chief appointments of the year:

Protestant Board of School Commissioners	Rev. W. B. Young, D.D.
Member of the Council of Public Instruction	Professor John A. Dale.
Member of the Council of Public Instruction	Hon. J. C. McCorkill.
Member of the Council of Public Instruction	Rev. Richard A. Parrock.
Member of the Council of Public Instruction	William H. Cox.
Member of the Council of Public Instruction	Hon. F. X. Lemieux.
Provincial Archivist	A. Z. Massicotte.
Provincial Agent to Federal Government	Joseph Turcotte, K.C.
Provincial Board of Health	J. A. Hutchison, M.D.
Provincial Board of Health	E. P. Lachapelle, M.D.
Provincial Board of Health	Henri Béland, M.D.
Corporation of the Higher Commercial Studies of Montreal	J. P. Mullarkey.
Commissioner *re* Provincial Water-Powers	Hon. S. N. Parent.
Commissioner *re* Provincial Water-Powers	Albert Bishop. C.E.
Commissioner *re* Provincial Water-Powers	Ernest Bélanger, C.E.
Inspector of Public Buildings and Industries	S. Desrochers.
Member of Legislative Council	George E. Amyot.
Clerk of the Legislative Assembly	L. P. Geoffrion.
Clerk of the Crown and of the Peace, Montreal	Ulric Lafontaine.
King's Councillor	Peter Bercovitch.
King's Councillor	John H. Dunlop.
King's Councillor	William L. Bond.
Sheriff of Quebec	J. Cleophas Blouin, M.L.A.

An important matter was the publication early in the year of the Report of the Royal Commission on Tuberculosis (1909-10) composed of E. P. Lachapelle, J. George Adami, T. G. Roddick, J. J. E. Guerin, J. Edward Dube, Elzear Pelletier of Montreal, M. J. Ahern, C. R. Paquin, Arthur Simard and Arthur Rosseau of Quebec and G. Bourgeois of Three Rivers—all physicians—with C. M. Holt, K.C., and Lieut.-Colonel J. H. Burland of Montreal. It was a most elaborate study of conditions in Canada and elsewhere with the following recommendations for immediate action: (1) Stricter application of laws contained in the Statutes regarding Tuberculosis; (2) elementary instruction on hygiene in the primary schools, normal schools and other Educational institutions; (3) popular instruction under the direction of the Provincial Board of Health and medical inspection of schools, shops and factories; (4) the establishment and maintenance of anti-tuberculosis dispensaries in the principal centres of the Province; (5) isolation of advanced cases among the poor and establishment of open-air schools for weak children who are prone to Tuberculosis; (6) treatment of curable diseases by the "class method," and legislation to prohibit the employment of young children; (7) investigation and legislation regarding the hours of labour of adults in factories; (8) legislation as to alcoholism, Meat inspection, and control of the sale of milk. Other and gradual steps to be taken included the establishment of Preventariums and creation of Sanitariums; establishment of farm and vacation colonies and improvement of dwellings for the working classes; legislation to better hygienic conditions in cities and towns. The following general conclusions as to a disease which

was described as infectious, transmissible and due to a special bacillus, were of wide interest:

1. The experience of all civilized nations shows that Tuberculosis is avoidable like all other infectious diseases.
2. Tuberculosis is responsible for a mortality one-third higher than all other ordinary contagious diseases combined and the mortality from Tuberculosis in the Province of Quebec is higher than that of the Province of Ontario and the adjacent United States.
3. The death rate from Tuberculosis amongst our rural population equals that of the urban population which lives under much more anti-hygienic conditions.
4. The higher death rate from Tuberculosis amongst our women is a fact peculiar to this Province for, in all other countries, man pays a greater tribute to the disease. Finally, statistics show that more French-Canadians die of Tuberculosis than Anglo-Canadians.

The 1911 Session of the Quebec Legislature

In the absence, through illness, of Sir C. A. P. Pelletier, the Administrator, Sir Louis Jetté, opened the 3rd Session of the 12th Legislature of the Province on Jan. 10th with a Speech from the Throne which first referred with regret to the absence of the Lieut.-Governor. His Honour then mentioned " the striking success " of the International Eucharistic Congress of 1910 in Montreal and its proof that Quebec was not only a land of faith but also a land of liberty; described the Provincial Governments as having met at Ottawa in December to discuss the representation of the Provinces in the Federal Parliament without coming to a conclusion; stated that six new Normal Schools for girls had been established in six years, that the School for Higher Commercial Studies at Montreal was in successful operation, that Technical Schools there and in Quebec were well under way and that several Educational appropriations would be increased; promised special grants to School Boards which intrusted the education of boys to male teachers with diplomas and adequate salaries and promised, also, a Bill for higher pensions to superannuated female teachers; intimated the initiation of a proper system for teaching drawing in schools and the further promotion of instruction for girls in house-keeping; stated that the bad condition of rural roads made improvement and special legislation necessary, that larger amounts would be required for the building of iron bridges and that the coming Report of the Turnpike Commission would facilitate the abolition of tolls; referred to the development of the mining industry, the work of geological explorations, the Chibougamou Engineers' report and the commencement of the Forestry School's operations; promised better supervision and direction of lumbering and the opening of Employment bureaux in Quebec and Montreal.

The Address was moved by A. Galipeault of Bellechasse and seconded by John Hay of Argenteuil. The Opposition leader (J. M. Tellier) who possessed 11 Party supporters and 5 inde-

pendent or Nationalist allies, followed and vigorously attacked the Government's education policy. The workmen, in his opinion, should receive more consideration and small Technical schools should be founded for them as well as for the higher classes in centres such as Montreal and Quebec. The finances were far from being in a satisfactory state. "Former Administrations had smaller budgets and many needs which are not apparent to-day." He denounced the policy of the Government in requiring diplomas for teachers in future. This would debar a large number of Christian Brothers from teaching although their schools were among the best in the Province. The good roads campaign he considered had benefited only a small section of the Province. It should be more widespread. In colonization matters he declared that the Government showed remarkable apathy.

In his reply the Premier dealt at length with his Educational policy and especially eulogized Technical institutions. "As soon as St. Hyacinthe, Sherbrooke, Three Rivers, and other centres know the value of these schools we will be ready to build them there. We have already spent large sums for increases in the salaries of Professors in Normal Schools, for increases to Inspectors of Schools, for the creation of Model and Normal Schools, for Night, Forestry, Polytechnic, Technical and Engineering Schools. Last year we spent $873,000 on Education and this year we will spend $1,200,000. We will spend double the amount of last year on schools for the poor." Armand Lavergne (Nat.) followed and drew special attention to an alleged yearly exodus of 11,000 French-Canadians to the United States, declared that the Nationalists wanted to be the brothers, not slaves, of England, and stated that under present conditions teachers had in some cases to retire after 20 years' service on a Government pension of $10.00 per annum.

The Hon. L. A. Taschereau, Minister of Public Works and Labour, followed on the 12th with the statement that the Government had a $2,000,000 surplus in the Bank and, with reference to the recent legislation regarding Compensation to workmen, that "eight per cent. of those suffering accidents had received no compensation before the passing of the law, while 98 per cent. now benefited by it." He pointed out that the indemnity of $2,000 offered by Quebec was higher than that given by any other Province. To the employees in cotton mills he promised that next year their working hours would be reduced from 58 hours a week to 55. The Hon. C. R. Devlin, Minister of Colonization, defended the Government's policy in that respect and claimed that the population of the Province had increased during the last decade more than that of other Eastern Provinces. This increase had been over 25 per cent. or from 1,648,898 in 1901 to well over two millions in 1911.

The value of the field crops of the Province of Quebec in 1910

were stated by Mr. Devlin to be $97,107,000 or double that of all the Maritime Provinces combined, $13,000,000 more than the crop value of Saskatchewan for the year and $25,000,000 more than that of Manitoba and Alberta put together. Farm lands in Quebec had an average value of $42.50 per acre while that of all Canada was $38.50; the price of living in Quebec was, he declared, lower than elsewhere. "Some of us are actually accustomed to think, in comparing ourselves with the West, that there is no wealth outside of gold and yellow grain and to forget that if we are not producers of wheat we have nearly 60 million dollars worth of hay per annum to our credit, besides a wealth of cheese and butter as golden in hue and as profitable to the Province as the wheat of the Western Provinces is to its producers." M. Jean Prévost made a bitter attack upon the administration of the Lands and Forests Department as being antiquated or worse and, after other speakers had been heard, Messrs. Pierre D'Anteuil (Cons.) and A. Lavergne (Nat.) moved an amendment to the Address in the following terms:

We deem it our duty to express regret that the Speech from the Throne and the Ministers' declarations do not allow the Province to expect from the Government a vigorous and progressive policy such as would assure the development of its agricultural industries, the intensive settlement of its arable lands, reform in the administration of justice and in the electoral system, the substitution of effective methods for the baleful system of patronage in the distribution of the appropriations voted by this House and, also, the most absolute respect for our national traditions in educational matters.

This was rejected on division (Jan. 16) and the Address then passed. The first Budget speech of the Hon. P. S. G. Mackenzie was delivered on Jan. 24th. The Treasurer pointed out that in the past 14 years of Liberal administration the Public Debt and interest charges had been largely diminished, that the revenues had been greatly augmented, and the expenditures duly increased to meet the necessities of Provincial extension—specially the improvement of educational facilities, the encouragement of agriculture and colonization, the betterment of the public highways. He then stated that his predecessor's estimate for the year ending June 30, 1910, was $5,367,442 of ordinary Receipts, $5,153,049 of ordinary and extraordinary Expenditure, and a surplus of $214,392; the actual Receipts had been $6,571,944, the Expenditure $5,627,755, and the surplus $944,189. The Receipts were $489,756 more than in 1909. The Debt (funded) on June 30, 1910, was $25,661,284 or $105,120 less than in the preceding year; the unfunded Debt was $2,410,387 while the Assets available were $5,201,925 of which $2,224,377 consisted of cash in the Banks. The Estimates for 1910-11 were $5,904,534 of ordinary Receipts, $5,707,991 of general Expenditure and a probable surplus of $196,543; for 1911-12 the Estimates were, respectively, $6,472,651, $6,308,424 and $164,226.

In the course of his speech Mr. Mackenzie expressed the hope of valuable results from the increased rate of $5.00 per mile ground-rent or stumpage dues. It was designed to attract capital for investment in Provincial paper, pulp and lumbering enterprises; it would, incidentally, yield an increased revenue of $140,000. Reference was made to a recent Judicial Committee decision of the Privy Council holding that the Province of Ontario had only power to tax property within its borders and could not collect Succession duties upon movable property situated outside of the Province. If maintained, in a Quebec case then before the Courts, it would seriously affect the revenue as well as the Provincial power of taxation. In the matter of License and Temperance reform he pointed out that in 12 Counties no licenses were issued; in 307 municipalities Prohibitory by-laws were in force; in 341 others, without any such By-laws, no licenses were issued; in 40 municipalities the Councils had passed By-laws restricting but not prohibiting licenses. The Government was giving increased attention to preventing the sale of impure intoxicants and collectors and revenue officials had been instructed to apply the law severely in all cases of illicit sale.

As to Education official Reports showed that the Government's expenditure of $448,760 in 1897-98 was now $1,065,950; that the contributions of ratepayers in the former year totalled $2,608,-121 and in 1907-8 $4,465,537 with further increases in the next two years. In the matter of rural highways the Government aimed at gradually doing away with Statute labour on the roads, proposed to co-operate with the municipalities by grants and the supply of steam-rollers, etc., intended to yearly increase its expenditure upon bridges built of steel and masonry, and would ask for $50,000 to begin the freeing of the roads from toll-gates. The expenditure of the Departments of Agriculture, Public Works and Colonization upon public highways would in 1911 be $595,-000. Toward the close of the year official figures showed the total Receipts of the Province from all sources—ordinary and otherwise—to be $7,147,936 and the total Expenditures of all kinds to be $6,872,980 for the fiscal period ending June 30th. The chief items were as follows:

Total Receipts, 1911.	
Dominion of Canada Subsidy	$1,761,473
Lands and Forests	1,229,928
Mines, Fisheries and Game	151,450
Administration of Justice.	372,355
Liquor Licenses	938,664
Taxes on Commercial Corporations	712,118
Duties on Succession	1,072,027
Maintenance of Insane	149,521
Registration Stamps	172,597
Minor Revenues	198,019
Trust Funds and Deposits.	110,597
Sundries	279,179
Total Receipts	$7,147,928

Total Expenditures, 1911.	
Public Debt	$1,123,021
Legislation	349,457
Civil Government	447,696
Administration of Justice.	793,933
Public Instruction	969,390
Public Works	454,933
Agriculture	400,247
Lands and Forests	289,275
Colonization	221,786
Lunatic Asylums	525,330
Charges on Revenue	216,225
Miscellaneous services	294,118
New Gaol, District of Montreal	349,255
Sundries	438,302
Total Expenditure	$6,872,968

Meantime the debate on the Budget had been opened by Mr. Lavergne. He charged the Government with using $500,000 for the School of Higher Commercial Studies in Montreal and $300,000 for the same institution in Quebec without itemizing either expenditure in the Public Accounts. Although the Budget only mentioned $750 in railway subsidies he claimed that 3,000,000 acres had been granted just prior to the Election of 1909 which had not yet appeared in any Budget. He described the School of Higher Studies as tending towards non-sectarianism and alleged that cheques payable to poor municipalities were distributed by the Liberal members. The Hon. Mr. Décarie, Provincial Secretary, said that there was nothing in the statement about the Montreal School as two of the teachers were priests and the institution had the sanction of the Church. Mr. C. Ernest Gault went into the figures of the Budget and stated that the Government surplus was due to certain omissions such as the large grants for the Technical Schools in Montreal and Quebec. He claimed that the Government granted the Railways land subsidies instead of money. The Forestry Commission, he considered, should be organized like the Western Mounted Police in order to fight fires, insect pests and other dangers. He considered concentration to be lacking in Government methods both as to road-making and in Education. More male teachers and better salaries were needed in the latter connection. On Jan. 26th Arthur Sauve (Cons.) moved the following Resolution, seconded by George Lafontaine:

That, while consenting to vote the Supplies to His Majesty, the House deems it its duty to call upon the Government: (*a*) to reduce the burthen of taxation now weighing upon the rate-payers of this Province; (*b*) to exempt from taxation all successions in the direct line or between husband and wife the net value whereof does not exceed $10,000; (*c*) to exempt from taxation all shares of estate in the direct line or between husband and wife, the net value whereof does not exceed $3,000 in the case of the partition of an estate exceeding $10,000.

The motion was voted down by 50 to ten. In the House on Jan. 27th Hon. Mr. Décarie said that the Protestant Council and the Catholic Committee of Public Instruction had both approved the propositions of the Minister of Militia as to Military training in the schools and along the lines of Lord Strathcona's Trust and that the Government would carry out their wishes in the matter. An interesting matter came up on Feb. 9th when Mr. Godfroy Langlois introduced the question of uniformity in Text-books throughout Provincial schools. His Resolution stated that the price of Text-books in the Province was excessive owing to the diversity in the books and their variance in different schools; that this expense was an obstacle to Education and one which the Government should remove by establishing uniformity. J. N. Francœur (Lib.) moved an amendment expressing confidence that the

Government " would take all possible measures to reduce the cost of books in the Elementary schools " while the Opposition Leader tried to amend this still further by a recommendation to the Government " to induce School-Boards to enforce the School law which prescribes the same books in all the schools of a municipality " and an expression of confidence in the Council of Public Instruction upon the point of reducing cost. The vote was 45 to 11 against Mr. Tellier and 43 to 13 in favour of Mr. Francœur's amendment. In his speech, Mr. Langlois claimed that school-books costing 45 cents for a Series in Ontario ran from 97 cents to $1.60 in Quebec. The Premier hoped to some day give the books to primary schools free of charge but did not consider uniformity possible. Mr. Langlois on Feb. 16 raised another discussion upon the proposal that the Government's new Normal Schools should have the sole right of granting diplomas to teachers and that the Board of Examiners should be restricted to permits for one year's teaching. Hon. Mr. Décarie, for the Government, merely said that Normal Schools had now been established in every Diocese throughout the Province and that the Government would continue its Educational reforms as opportunity permitted.

On the same day Sir Lomer Gouin was asked as to the Government's pulpwood policy in the event of Reciprocity going through. After pointing out that the prohibition of export from Provincial Crown Lands was less than a year old in its operation, and that the Government wanted to make Quebec the centre of the world's pulp and paper industry, the Premier proceeded: " If I had to choose between the interests of our neighbours and the interests of Canada and Quebec I would first stand by Canada and the Province of Quebec; and if the choice were between Canada and the Province of Quebec I would stand by Quebec so long as our interests were legitimate." On Feb. 27 the Legislature received through Hon. Mr. Taschereau a Report from the Commission as to Toll-gates. It endorsed the Government's road policy and suggested an appeal to the Federal authorities for assistance in constructing an inter-provincial highway. It pointed out that the toll-gate system was out of date and suggested passing a general law abolishing toll-roads, and toll-bridges and, as a corollary, establishing free passage on all roads and bridges. The Government was unable to undertake legislation at this Session but it was understood that they had the matter in hand for gradual solution.

A debate took place on Mch. 8th regarding a motion of Arthur Plante urging that plural voting was out of harmony with " the aspirations of our democracy " and declaring that the Electoral Act should be amended so that no one could vote more than once and then at his place of domicile. " We have no aristocracy in Canada save the aristocracy of talent and labour," said Mr. Plante. " Our ideal is to have popular representation as it exists

in Belgium. Plural voting in municipal elections I endorse but not in Parliamentary contests." Mr. Bourassa and Sir Lomer Gouin endorsed the principle and the adjournment of the discussion was carried by 48 to 12. On Mch. 16 an amendment proposed by J. N. Francœur and J. W. Lévesque (Liberals) in favour of the single vote, " as soon as a system of making the voters' lists shall have been provided to meet the actual state of things," was carried by 41 to 10. Although the Quebec Legislature did not, officially, record its opinion of the Reciprocity issue, it was inevitable that some phase of the question should be discussed. Mr. Bourassa was not satisfied with the Government's assurances as to its Pulp-wood export policy and, on Mch. 9, moved a long Resolution which declared that " in view of the new conditions that would arise from the ratification of the Canadian-United States tariff convention with regard to pulp and paper industries, and to the exploitation of the forest, and in a general way to keep to the capital, labour and trade of this Province the full benefit of the settlement of its soil and of the development of its natural resources, the House hopes that the Government will maintain in the regulations of the Forest Department all that tends to foster the making of paper in Canada and in the Province of Quebec."

Following this preamble came clauses asking the Government to at once separate in administration, etc., the Forest regions from those fitted for settlement; to bring back into the public domain and control many limits said to be held by speculators; to secure to genuine limit-holders free possession for a specific period and to the settler easy access to the land and entire possession of his lot; to re-acquire public control of unoperated water-powers and to protect hydraulic energy from private exploitation. In his speech Mr. Bourassa pointed out that privately-held and owned lands could still export pulp-wood to the United States in a total of about 1,000,000 cords compared with the 200,000 cords from Crown Lands. He wanted to know what the Government's exact policy was. Sir Lomer Gouin replied on the following day. He declared that Quebec had 10,678,000 acres of Seigneurial forest rights, 11,354,000 acres of Crown lands given out on letters-patent, 6,000,000 acres held as private land and 117,000,000 acres of Crown Lands. " The Americans could only obtain wood from the private land and of this one-fourth was of hardwood." As to the chief points at issue the Premier refused to separate the Departments of Colonization and Crown Lands and added: " The question is shall we accept the offer from Washington and go back on our Order-in-Council of April 22, 1910, and let our pulp go into the market of the United States to be made into paper there? Personally, I have not heard any argument to make us change our minds. Some want the question referred to the people but I say unless we get better arguments we shall keep to our decision of April, 1910." The Resolution was defeated by 38 to 9.

Another motion of Mr. Bourassa's (seconded by J. M. Tellier) was discussed on Feb. 22nd. He wanted the revision of the Quebec Election Act to include "treating" in food, drink, etc., during an Election amongst criminal offences, with severe penalties, but the proposal was voted down by 38 to 11. A Resolution presented by Mr. Plante (Cons.) favouring the immediate abolition of Toll-gates was rejected on Feb. 24 by 26 to 13, the House being willing to await the Government's policy of gradual elimination. On Mch. 14 Arthur Sauve (Cons.) moved that the House express "regret that the Government shows itself heedless of the rights of the rural population by not taking active and efficient measures to encourage industries generally and, especially, agricultural industries." The motion was rejected by a party vote of 39 to 14. Another Opposition motion (L. P. Bernard and A. W. Giard) declared on Mch. 22nd that the indemnity granted to grand and petit jurors was insufficient and requested Government legislation to correct the condition. It was defeated by 38 to 8. So with a Resolution on the following day regretting an increased cost of the Technical School at Quebec—$500,000 and $30,000 a year in place of $300,000 and $10,000 a year—alleging that if the Government would abandon the "raising of sumptuous buildings" it might assure first class technical schools in various industrial centres. It was rejected by a vote of 42 to 10.

Meantime there had been a good deal of actual Government legislation passed. Sir Lomer Gouin presented and carried Bills (1) amending the Municipal Act so as to permit of one County annexing, municipally, part of an adjoining County municipality upon a two-thirds request of the latter's inhabitants and with some other attached conditions; (2) providing that no children under 14 should be permitted to enter a Moving Picture theatre unattended by a parent or guardian; (3) amending the Public Utilities Commission Act so as to further define its powers and its jurisdiction and prevent any appeal from its decisions; (4) a measure regulating and restricting the sale of cocaine, morphine and other compounds. The Premier was also responsible for eight other measures of less importance. The Hon. C. R. Devlin carried his Mining Bill which reduced the Government tax on claims to 50 cents and imposed taxation on undeveloped limits; and a Fishery measure settling litigation as to non-resident fishing rights. New Brunswick men had been leasing claims in Quebec and refusing to pay the tax, but henceforth they and others would pay $25 for salmon privileges, $10 for other fish and $5 if they were Club members. Another Bill enacted more severe penalties for the protection of game out of season.

The Hon. P. S. G. Mackenzie's Bill reforming the Insurance law created some public discussion. He proposed to define definite acts which constituted contravention of the law as to doing business without license; to exempt the parish mutual insurance com-

panies from certain provisions which were said to be unnecessarily troublesome and expensive; to provide for the early distribution of a summary report based upon the statements filed by companies and associations; to empower the inspectors to examine the home offices of licensed companies or associations whose head offices were outside of the Province; to provide legislation for pension fund companies or associations and for the liquidation of companies and associations. The legislation as to outside concerns was intended chiefly to put the Government into touch with the numerous United States Companies operating throughout the Province. Power was given the Treasurer to suspend or annul the license of such concerns. The Hon. J. Décarie put through a Bill to encourage Music in the Province by granting $3,000 a year to the Quebec Academy of Music for a Scholarship abroad to be awarded at special competitions in singing and playing on piano, violin or organ. The Hon. J. E. Caron passed several agricultural measures—one being a grant of $15 to $50 for the keeping of thoroughbred cattle; the Hon. Jules Allard revised the law respecting Township forest reserves.

The most widely debated measure of the Session was the Montreal Tramways Act. It provided for a merger of the transportation interests on the Island of Montreal with the alleged object of securing facilities to meet the needs of a growing population and for the practical purpose of giving control into the hands of the Montreal Street Railway Co. The name of the holding concern, seeking incorporation with a capital of $20,000,000, was the Montreal Tramways Company and the names associated with it were prominent in financial circles—E. A. Robert, W. C. Finlay, G. G. Foster, K.C., J. W. McConnell, D. Lorne McGibbon, N. Curry, etc. The following clause was the chief storm-centre: "Upon the acquisition by the Company of the Montreal Street Railway, Montreal Park and Island Railway, Montreal Terminal Railway Co. and the Public Service Corporation, under the provisions of the next preceding section of this Act, the Company shall have, in perpetuity, the exclusive right and authority to acquire, construct, equip, maintain and operate tramways and street railways in and through the Island of Montreal and the Isles of Jesus and Bizard." In the Legislature the Bill was presented by Mr. Godfroy Langlois on Feb. 21st. Afterwards the "in perpetuity" condition was changed to 42 years at the end of which the City would have the right of expropriation or renewal automatically for ten year periods. Mr. Langlois made this statement on Mar. 11th: "The Company has now 17 contracts with the City and suburbs. In the Bill four companies are merged in one and there is one identical contract and only one. We have uniformity. Now, by the Bill we establish some authority over the Street-car trust (the Public Utilities Commission) and whenever a difficulty arises it will not be necessary to wait eight years

for a settlement. With the enactment of the Bill, we meet the public demand and give an immediate reduction of the price of transportation."

The controversy was varied and more or less violent. Montreal's autonomy was said to be absolutely destroyed and its streets put in the control of a monopoly. On the other hand it was pointed out that in 1910 the control of the Street Railway had changed hands, that this new group of capitalists encountered bitter public attacks for inadequate service, that they went to the Council and Board of Control and invited suggestions for betterment. They discussed the question of extending present lines, of adding new routes, the percentage to be paid the City by the Street Railway Co., the cost of removing snow, and their share in maintaining the upkeep of the streets on which their lines were laid. At the same time they requested an extension of their franchise as it related to the newly-annexed wards. The Company pointed out that it was unfair to ask them to extend their car lines into sparsely-settled suburban districts without granting them some compensation for the outlay. For several months negotiations had been going on but nothing had resulted and the Street Railway declared that the City Council blocked all their efforts to improve the service and that it made exorbitant demands which they were unable to meet. Hence, it was claimed, the new situation.

The City Council took vigorous action against the powers of the proposed merger both by protest and delegations to Quebec; the press and especially the Montreal *Herald* directed a keen campaign against its terms; negotiations, meantime, were entered into between the City and the Company with a view to compromise and terms were suggested under which the latter, in return for a 50-year franchise, promised to grant lower fares to the people and a larger percentage to the City; eventually negotiations were broken off and the struggle transferred to the Legislative Assembly at Quebec; throughout the discussion there Mr. Bourassa fought the Company's proposals with characteristic vigour. On Mch. 3rd Sir Lomer Gouin expressed the view that the powers granted were very wide and should be fully discussed; to some of the important demands made he was opposed. Five days later he pointed out that great improvements in service were needed and much money; the Company with a franchise expiring in 12 years could not obtain the latter. "We have given Montreal and other municipalities the right to make contracts. Let us respect them. If the contracts be lengthened for 40 years from date, then the City and other municipalities will be free and can buy back their systems if necessary." He thought that workmen should have 10 tickets for a quarter and children 12. The *Herald* and the Mayor, and others concerned, kept up the fight and demanded that the

Bill be killed. On Mch. 12 a mass-meeting of protest was held in Montreal and addressed by Mayor Guerin, Mr. Bourassa, J. S. Brierley, Comptroller F. L. Wanklyn, Senator Dandurand, and others. On the next day the City Council withdrew opposition to parts of the measure and proposed a general amendment which the Company accepted. The term was put at 42 years:

> Subject, however, to a contract to be entered into between the City and the Company, to determine the duration of the franchise, the conditions which the said Company shall be held to comply with as to the operation, maintenance, equipment, establishment, and extension of routes, in the different streets and thoroughfares of the City; the rates of fares, the percentage to be paid to the said City on the gross earnings of the said Company; the share of the cost of paving and maintaining the streets and of removing the snow to be paid by the said Company, and such other terms and conditions as the City may deem advisable to impose. All differences between the City and the Company, as regards the interpretation of the said contract shall be submitted to the Quebec Public Utilities Commission for full settlement.

In the Legislature Mr. Bourassa and the Opposition continued to fight the measure in details and, on Mch. 21st, he proposed that the Company should exercise no powers in Montreal or surrounding municipalities without obtaining their consent but this was rejected by 44 to 8; seven other amendments were moved but all defeated by similar votes. Another measure of considerable public interest was the Hon. L. A. Taschereau's Battlefield's Park Bill which transferred 27 acres of land on the Plains of Abraham to the National Battlefield's Commission for a National Park and appropriated, also, $20,000 for a monument to King Edward. On Feb. 21st Armand Lavergne (Nat.) opposed this latter proposal: "Is it necessary," he asked, "to erect a monument to commemorate the fact that our ancestors were thrashed on this spot?" He then attacked the Battlefield's Commission as an irresponsible body which had done nothing with its money except to give medals. Instead of erecting this monument he asked that healthy and bright homes be created for Quebec's working-classes who were living in filthy and unsanitary tenements and hovels.

On the 24th Mr. Bourassa (Nat.) expressed quite contrary views and at a final debate before the unanimous passage of the Bill (Mch. 3rd) he made certain suggestions as to further Federal co-operation. Mr. Tellier, the Opposition Leader, also supported the proposed memorial. His only criticism was that in asking for $20,000 for the monument the Government was not proposing enough to make the monument worthy of the Province and the King. Mr. Taschereau, however, still thought the amount reasonable. In the Upper House, on Mch. 15, Mr. Adelard Turgeon, C.M.G., supported the proposal in eloquent terms. "The Provincial Government," he said, "has taken one step more which entitles it to the gratitude of all elements in our population. I cannot express how happy I feel at the thought that the only French Province of

the Confederation is the first to take the initiative in erecting a monument to our lamented Sovereign Edward VII." He also warmly defended the National Park proposal and the measure became law in due course.

There were several other incidents in the Session which was closed on Mch. 24th after passing 165 Bills. J. O. Mousseau's measure revising the Quebec Medical Act so as to establish reciprocity among the Provinces in recognition of medical degrees and the right to practice, each Province having to make a separate arrangement with Quebec, was passed. So was Clement Robillard's measure amending the Montreal City Charter in various directions and dealing with expropriatory powers, taxation, the vote of joint stock companies and street control. During the Session it was stated by Mr. Taschereau that the projected Legislative Library would be one of the finest buildings in Canada and cost about $400,000; great interest was taken in the action of the Archbishop of Quebec in placing *La Vigie* and *Le Soleil* under the ban but nothing was said publicly pending an appeal to the Papal Delegate; it was stated during the Montreal debates in the Legislature that the City paid two-thirds of the taxes of the whole Province—$2,300,000 on Liquor licenses, corporation taxes, law stamps and succession dues alone; at the close of the year Olivier C. F. Delage, LL.D., was announced as the new Speaker of the Assembly in succession to Dr. Pelletier.

Educational and Other Problems in Quebec

On Feb. 23rd, 1911, the Royal Commission on Schools appointed by the Government under Order-in-Council of July 29, 1909, and composed of Senator R. Dandurand (President), Abbé Ph. Perrier and Dr. E. J. C. Kennedy, with Dr. L. P. de Grandpré as Secretary, presented its Report to the Legislature through the Provincial Secretary. The object of the Commission was to inquire into the advisability of organizing a Catholic School Board for Montreal with jurisdiction throughout the City and its environs. The evidence and opinions of many persons were reviewed in the document and the following conclusion of the Commission stated: "It rejects the idea of dividing the present School Board of the City of Montreal into parochial boards because the administration of the said Board has given full satisfaction to the ratepayers, especially as regards the distribution of the schools. Your Commission is in favour of the amalgamation into a single Board of all the school municipalities comprised within the present limits of the city of Montreal." As to details various suggestions were made including a periodical meeting of ratepayers and fathers of families in each Parish to choose a representative whose duty it would be to visit the schools and make representations to the Central Board; the selection of School Commissioners by delegates rather than by the people—three,

however, out of the 12 to be elected by the Catholics every two or four years at the time of the Municipal elections and three to be appointed by the City Council from outside its membership. Attention was drawn to the fact that Montreal was the only city in the world which allowed 30 different school boards within its limits.

During the ensuing Session a measure was presented by Mr. C. Robillard, and passed, authorizing the existing Board of School Commissioners in Montreal to establish infant schools and primary Superior Schools. In his annual Report dated Dec. 30, 1911, M. Boucher de la Bruère, Superintendent of the Department of Public Instruction, reviewed the conditions of the school-year, 1910-11. He described meetings held by the 8 Principals of the Roman Catholic Normal Schools of the Province for the purpose of creating uniformity of policy and action; the Congress of Secondary Education held at Laval in June with representatives present from 18 affiliated Colleges and the formation of a standing Committee to study problems of Secondary Education—the Rev. Abbés Roy, Sabourin, Chartier, Labelle, Camirand, Morin and Lebon; the appointment on Jan. 5th, 1911, of C. J. Magnan of the Laval Normal School as Inspector-General of Catholic Schools and J. C. Sutherland of Protestant Schools; the affiliation of the Agricultural School of the Trappists of Oka to Laval and the awarding of the Province's first diploma of Bachelor of Agricultural Science; the encouragement of house-keeping instruction in Convents, etc., the preparation of an 8-year course of study which combined classical instruction with house-keeping and was suited to the changing intellectual conditions of young girls. The statistics of the year 1910-11 may be summarized from a mass of detail as follows:

Model Schools and Academies.	Roman Catholic Institutions.	Protestant Institutions.
Number of Model Schools	622	50
Roman Catholic Pupils	101,043	191
Protestant Pupils	334	4,818
Number of Academies	193	34
Roman Catholic Pupils	47,625	236
Protestant Pupils	551	7,887
Male Lay Teachers with Diplomas	198	84
Male Lay Teachers without Diplomas	41	6
Female Lay Teachers with Diplomas	476	349
Female Lay Teachers without Diplomas	129	35
Male Religious Teachers	1,255	..
Number of Female Religious Teachers	3,194	..
Number of Roman Catholic Classical Colleges	19	..
Pupils in Commercial Course	2,695	..
Pupils in Classical Course	4,445	..
Number of Religious Professors	617	..
Total Number of Professors	642	..

Elementary Schools.	Roman Catholic Institutions.	Protestant Institutions.
Number of Schools, under control	4,906	947
Independent Schools	48	4
Roman Catholic Pupils	189,962	1,644
Protestant Pupils	509	34,323
Male Teachers in Orders	112	1
Number of Nuns teaching	542	..

Total number of all kinds of educational institutions	6,934
Total Male Teachers	3,272
Total Female Teachers	11,325
Total Average Salaries in all Schools—	
1. Male Teachers with Diplomas	$824
2. Female Teachers with Diplomas	178
Contributions of Municipalities toward Education—	
(a) Annual Taxes	$3,111,743
(b) Special Taxes	313,274
(c) Monthly contributions	277,280
(d) Fees from various institutions	2,026,807
Total contribution from Municipalities	5,729,104
Total contributions from Government	1,065,229

During the year the Roman Catholic Committee of the Council of Public Instruction held various meetings and on May 10-11 it recommended drawing as an element of instruction in primary schools, urged the Government to forbid the grant of Liquor licenses within a distance of 500 feet from any school-house, requested that it be made lawful to supply school books to all children at the cost of the municipality concerned, and urged by Resolution the Catholic School Boards to select Canadian works for school books as far as possible—especially those relating to the history of Canada. The Protestant Committee (Feb. 17) made strong representation as to the study of French in the Protestant schools: "We are of the opinion that the work required in this subject can be done by those only who have been specially trained for that purpose. The salary necessary to secure such teachers must be large enough, not only to compensate them for the extra expense of their special training, but to attract to the arduous work of language-teaching a number sufficient to meet the demand. Without a special grant many school boards would be unable to secure and retain the services of such teachers. We, therefore, recommend that a special grant of not less than $100 nor more than $200 per annum be given to such school boards as engage a specially-qualified teacher of French who shall teach the subjects in all grades of the school."

It was urged that McGill University should provide courses of instruction in this connection and a special Inspector of teachers beginning to give instruction in French was suggested. A small sum was voted to aid teachers in attending McGill's Summer School for this purpose. Mr. Justice J. C. McCorkill was elected Chairman in place of the late Rev. Dr. W. I. Shaw but was unable to act and Principal W. Peterson, C.M.G., of McGill was then chosen. In his first Report Mr. Sutherland drew attention to the indifference of many Protestant School Boards to all regulations or official advice. Mr. Magnan reviewed the Catholic part of the problem as follows:

The pupils in our primary schools leave school too soon as a rule. Not being sufficiently educated, they do not think of going to the special schools—the agricultural, commercial and technical schools. The increase in the number of male teachers in the country parts, thanks to the special grant of $10,000, will have the effect of keeping boys between 10 and

16 years longer at school. . . . The most important of all school problems set by the Inspectors, and one which must be solved within a brief delay, is that of teachers without diplomas. And the most serious matter is that a number of municipalities engage unqualified teachers without even obtaining the Superintendent's authorization as required by Article 26 of the Revised Regulations of the Catholic Committee. Thus, while the Government is multiplying Normal Schools and the Central Board continues to award diplomas every year after thorough examination to hundreds of young persons, the number of teachers without diplomas increases yearly.

McGill University made history for itself in 1911. The students in attendance for the Session, 1910-11, were 2,294 of whom 627 were in Arts, 60 in Law, 610 in Applied Science, 304 in Medicine, 73 in Music. There were six Medical graduates taking the Public Health course, 83 students in the Graduate School, 80 taking Extension lectures, 160 in the French Summer School and 325 students in Macdonald College. Financially, the University commenced the year with a condition of continued retrogression. Despite the princely gifts received year after year from Lord Strathcona and Sir W. C. Macdonald its financial responsibilities seemed to become heavier rather than the reverse. *The Star* put the public situation as follows on Jan. 26: "McGill is one of the assets of the Province. Its success is a world-accepted test of our prosperity. The *prestige* of the Province cannot be divorced from the *prestige* of McGill. Why, then, should the Province grant McGill no more than $3,000 a year when Ontario grants $750,000 annually to Toronto University?"

Private benefactions, however, continued. A splendid collection of rare works on the diseases and surgery of the eye was presented to the Medical Library early in the year by Dr. Casey A. Wood of Chicago while Dr. W. Gordon Byers, Professor Birkett, Dr. William Osler and Sir Lauder Brunton added important collections of books or engravings. The opening of the new building of the Medical Faculty in June marked a million dollars of invested capital to which Lord Strathcona had contributed $450,000 and of which about $350,000 came from insurance on the old building. More endowment was, however, needed. Through the generosity of Sir William Macdonald the University, on July 4th, was placed in possession of an important and valuable block of real estate having an area of 1,087,000 square feet and known as the Law-Molson property. It adjoined land already owned by the institution, was said to have cost the donor $1,000,000 and apparently ensured the permanency of McGill as a Montreal institution. Endowment was again required and while the problem of land and of room for expansion was removed, the problem for adequate maintenance was increased.

Recurring deficits were stated at this time to have impaired in five years the invested funds of the University by $154,600 and, in the current year ending June 30th, the revenues were $773,844

and the expenditures $832,638 with only two self-supporting departments—the Faculty of Law and the Royal Victoria College for Women. Hence a large deputation which waited on Sir Lomer Gouin on Nov. 17 and asked for a yearly Provincial subsidy of $100,000. Mr. C. M. Hays said: "McGill University is the principal asset of the City of Montreal and possibly of the Province. It represents a total outlay of $20,000,000, all from private sources, and has always been maintained through contributions from private individuals. The time has come when the enterprise has developed to such an extent that it is impossible for the Board of Governors to make ends meet if they have to depend on the generosity of a few citizens. It is an institution rendering service to the whole community and, in many instances, relieving the Government of obligations regarding Education." The reply was sympathetic but uncertain.

Following this came an appeal to the citizens of Montreal for a million dollar Endowment Fund which was started on Nov. 19th by subscriptions of $100,000 from Dr. James Douglas of New York, $50,000 from R. B. Angus, $25,000 from George E. Drummond and $10,000 from E. B. Greenshields. The Chairmen of Committees were James Ballantyne, Dr. H. S. Birkett, H. J. Fuller, C. C. Holland, George Lyman, Lieut.-Col. E. A. Whitehead, J. W. McConnell, G. H. Montgomery, Percy Molson, W. Rutherford, Lieut.-Col. C. A. Smart and R. J. Younge. Once these Committees were organized for work the money poured in and by Nov. 25th $1,526,765 had been subscribed. A few only of the larger contributors, in addition to those mentioned above, can be recorded:

Sir Edward Clouston	$25,000	Sir Hugh Graham	$25,000
F. Howard Wilson	10,000	Nathaniel Curry	25,000
J. G. Ross and brothers	10,000	Heirs of W. W. Ogilvie	15,000
C. B. Gordon	10,000	David and R. B. Morrice	10,500
Charles M. Hays	10,000	Reid Bros. of Newfoundland	10,000
Mr. and Mrs. Robert Reford	100,000	S. H. Ewing	10,000
Henry Birks & Sons	100,000	J. W. McConnell	25,000
Heirs of J. T. Molson	25,000	P. S. Ross	10,000
C. W. McLean	25,000	A. T. and W. J. Shaughnessy	10,000
Hanson Bros.	10,000	Canadian Pacific Railway	25,000
Theodore Labatt	10,000	Grand Trunk Railway	25,000
C. R. Hosmer	25,000	Canadian Northern Railway	25,000
Hon. Robert MacKay	25,000	D. Lorne McGibbon	10,000
H. S. Holt	25,000	George F. Johnston	10,000
A. Baumgarten	15,000	Major H. H. Lyman	10,000
Bank of Montreal	10,000	James Ross	50,000
E. A. Robert	30,000	Sir W. C. Van Horne	25,000
Dr. Milton Hersey	30,000		

The amount raised, with promised additions, was expected to give the University an endowment of $100,000 a year. The Committee raising the largest amount was Mr. McConnell's ($367,720) with Percy Molson's second ($308,731) and the Executive Committee, having the whole matter in hand, was composed of R. B. Angus (Chairman) and G. E. Drummond, W. N. Birks, C. J. Fleet, K.C., C. B. Gordon, J. W. Ross, R. Reford and

Howard Wilson. Sir William Macdonald was asked by the Committee not to subscribe and Lord Strathcona cabled, too late for action upon his suggestion, a contribution of $100,000 if the Fund was raised to $2,000,000. Laval University also had a successful year with 1,031 students in attendance—Faculty of Theology 246, Law 136, Medicine 195, Polytechnic 151, Veterinary 34, Dentistry 96, Pharmacy 82, and Agriculture 91. The first examination of the new Montreal Technical School was held in December with 101 students in attendance; on Dec. 22nd C. S. Fosbery, M.A., Principal of Lower Canada College, was able to announce that the entire Building debt of that new institution was wiped out with 175 pupils in attendance. An educational incident at the close of the year was the announcement that the Catholic Committee of Public Instruction had declared in favour of free Textbooks in the schools.

Of moral or sociological developments during the year it might be stated that Temperance discussions continued and that some practical work was done. It was estimated on Mch. 13 by J. H. Roberts, Secretary of the Quebec Branch of the Dominion Alliance (Prohibition) that 661, or 69 per cent., of the municipal communities of the Province were without Liquor licenses and 295, or 31 per cent., with licenses. Ald. S. J. Carter, the President, said that on May 1 there would be a general early-closing movement throughout the Province except in Montreal and Quebec City. The bars would close at 7 p.m. on Saturdays and at 10 p.m. the remainder of the week. They had secured something for Montreal, however, in legislation providing that saloons should not open in the morning until 7 o'clock and must close at 11 o'clock each night. It was also stated that Montreal had 96 hotels, 544 licensed grocers, 375 licensed cafés—altogether 1,212 wholesale and retail liquor dealers. Archbishop Bruchési on Nov. 26th made one of his periodical appeals for Temperance at a public meeting: "We will continue to fight the evils and afflictions that follow in the wake of intemperance from the pulpit and the platform and in the schools but the most effective weapon against the dread scourge is the law." Some other incidents may be briefly summarized:

Jan. 3.—Mrs. J. H. Roberts, addressing the Montreal W. C. T. U., urges certain specific reforms in the interest of women: A female Recorder for Montreal; a Rogues' Gallery and published portraits of men found in disorderly house-raids; equal salaries for men and women and better living for domestic servants; a working girls' Hotel and children's education in sexual matters through parents or guardians.

Jan. 16.—Archbishop Bruchési protests to the management of a Montreal Theatre against Sara Bernhardt being allowed to play "Sappho" or "La Sorciére." Public attention is drawn to the fact that action taken by Archbishop Begin in Quebec concerning a part of the Montreal Grand Opera Company's programme seriously injured the season for them.

Mar. 9.—At the annual meeting of the St. Jean Baptiste Society, Montreal, a Resolution is adopted supporting the organizations that have aided in encouraging the use of the French tongue and disapproving the action of those Bishops who condemned the Bi-lingual system in Ontario.

Mar. 28.—In a branch of the "Emancipation Lodge" case in which A. J. Lemieux was charged with highway robbery for stealing the cash and documents—as to which the Defence claimed that the money was returned and that the act performed was in the interests of religion—Mr. Justice Lavergne says to the Jury: "What religion is meant? Is it yours? Was the institution to which you belong instituted and preached at the point of a pistol, or was it promulgated by men standing at the edge of a forest ready to take you by the throat?" He urges that religion was not an issue and should have no weight. The man was acquitted.

Apr. 9.—Bishop Archambault, in the Cathedral at Joliette, gives formal notification that he will publicly excommunicate all who are known to belong to any secret organization condemned by the Church.

Apl. 24.—As a result of sporadic outbreaks of smallpox the Provincial Board of Health promulgates a decree instructing each of the 1,500 municipalities of Quebec Province to enforce general vaccination.

June 15.—The new Sanitarium building at Ste. Agathe des Monts, built by the Laurentian Society, for the Treatment and Control of Tuberculosis and costing $150,000, is opened by D. Lorne McGibbon who was chiefly responsible for the financial contributions.

June 23.—It is announced that the Provincial Board of Health will prosecute the Sisters of Ste. Anne of the Jerome Convent where, after a discovery of smallpox in the institution, the Nuns were alleged to have let 73 pupils go away. A similar incident occurs in December at Barford, near Coaticook.

June 28.—The Judicial Committee of the Imperial Privy Council gives judgment in the suit which threatened to disqualify and penalize the members of the notorious Finance Committee of the preceding municipal *régime* in Montreal. The suit was dismissed with costs.

VII.—AFFAIRS AND INTERESTS OF THE MARITIME PROVINCES.

Resources and Development of Nova Scotia in 1911

The year was a fairly good one in Nova Scotia—particularly in an agricultural sense. The summer was warmer and less showery than usual. The crops of hay and grain were 10 per cent. under the average, but there was a heavy yield of roots and potatoes which, owing to the scarcity of these products in Ontario and parts of the United States, brought large returns to the farmers. Although the dry weather caused a shortage in the production of butter and cheese the Secretary for Agriculture reported that more Live-stock were being kept on the farms. The dairy industry was on a pretty firm foundation with three new creameries being erected in different parts of the Province. It was greatly aided by the Provincial Agricultural College—one of the best equipped institutions of its kind in the world. The chief field crops, according to Federal figures, were as follows:

Crop.	Area. Acre.	Yield per acre. Bush.	Total Yield. Bush.	Total Value.
Spring Wheat	9,917	21·05	208,800	$230,000
Oats	84,499	29·24	2,471,000	1,307,000
Barley	6,361	25·77	164,000	125,000
Buckwheat	7,904	21·81	172,400	112,000
Mixed Grains.....	11,699	29·34	343,200	228,000
Potatoes	26,566	183·83	4,884,000	2,442,000
Turnips, etc.	10,323	426·06	4,399,000	1,451,000
			tons	
Hay and Clover.....	412,864	1·71	706,000	8,310,000

Since Confederation in 1867 the Nova Scotia fisheries had realized about $190,000,000 and in later years they averaged 8 millions per annum; in the year ending Mch. 31, 1911, the value was $10,119,243. During the ensuing season the catch of the shore fisheries was estimated at 25 per cent. below the previous year and that of the bank fisheries at 10 per cent. less; but prices were much higher than usual and owners of fishing vessels were said to have made from 30 to 60 per cent. of their investment. In Mining there was continued progress and the Report of the Department of Mines showed an increased product in all but one item. Coal had a product of 6,208,444 gross tons or an increase of 800,000 tons; iron-ore a production of 53,595 net tons (and an

import in 1910-11 of 853,904 tons); pig-iron a production of 397,615 tons and steel ingots 438,922; limestone (quarried) 525,286 tons and gypsum 297,641 tons; coke (made) 545,619 tons and bricks (made) 23,273,700 in number; building stone (quarried) 11,226 tons and drain pipe and tile (made) 1,431,761 feet; gold-bearing ore mined 18,320 tons and gold produced 8,389 ounces. With a few smaller quantities the total value (Federal figures) was $15,354,928—an unofficial estimate of values, which included steel manufactures, etc., was $38,887,000.

During the year much prospecting was done for the tungsten-bearing ore and scheelite was reported by E. R. Faribault while a Company got under way on the Moose River and nearly completed a concentrating mill by the end of December. The Iron production was still small though a United States Conservation Report stated the available ore in the Province at 4,000,000 tons. The value of coal production was steadily increased from $1,568,000 in 1872, to $3,919,000 in 1896, and $12,919,000 in 1910. The shipments by Companies in 1911 were as follows: Dominion Coal Co. 3,619,009 tons, Nova Scotia Steel & Coal Co. 744,102 tons, Acadia Coal Co. 379,487 tons, the Intercolonial Coal Co. 238,238 tons, and others made a total of 584,462 tons. In other directions there was progress. The British-Canadian Shipbuilding and Dock Co. was organized with a capital of $10,000,000 and Sir Henry M. Pellatt, Chairman, for operations at Sydney; plans for the extension of the Halifax dry-dock were under way; the output of the Dominion Steel and Coal Companies was large and satisfactory and that of the Nova Scotia Car Works at Halifax increased to 12 cars a day; the product of the Canada Car and Foundry Co. at Amherst was valued at $2,452,000 with orders in hand at the close of the year for a similar amount; the Nova Scotia Steel and Coal Co. had an output in steel and pig-iron 20 per cent. greater than ever before; the timber cut was estimated at 400,000,000 superficial feet and 200,000,000 feet were exported; the Bank clearings at Halifax for the 12 months ending Oct. 31 totalled $85,175,000 and general business was reported good.

According to A. F. Macdonald,* of the Halifax *Chronicle,* the Nova Scotia Companies which increased their dividends during the year were Nova Scotia Telephone 6 to 7; Acadia Fire, stock dividend, 25 per cent.; Halifax Tramway Co., 7 to 8; Bank of Nova Scotia, 13 to 14; Stanfields, 0 to 4; Acadia Loan, 5 to 6; McAlpine Publishing Co., 0 to 6. 115 new companies were incorporated during 1911 with a total authorized capital of about $34,000,000. The actual production or estimated wealth of Nova Scotia, as carefully compiled on January 1st of each year by the Halifax *Chronicle* were as follows in 1910 and 1911:

* NOTE.—Toronto *Globe,* Jan. 1, 1912.

Product.	January 1, 1911.	January 1, 1912.
Coal and Coke	$17,635,000	$19,800,000
Gold, Iron and other metal	379,500	350,000
Gypsum, limestone and Building materials	1,090,000	1,195,000
Steel, steel rails, rods, pig iron, etc.	15,200,000	16,000,000
Fisheries	8,400,000	8,100,000
Manufactures, ships and Freights	41,400,000	45,500,000
Products of the Farm	29,100,000	25,926,000
Products of the Forest	5,480,000	5,200,000
	$118,684,500	$122,071,000

It may be added that the total area of Nova Scotia forests was estimated at 4,000,000 acres; that the Imports into or through the Province in 1911 (Mch. 31) were $16,748,580 and the Exports therefrom $20,001,324; that the Bank branches in Nova Scotia numbered 111 in this year and the Clearing-house returns were $88,194,038 while the new buildings were valued at $1,004,438; that the Lumber cut of 1910 was valued at $3,344,075 while the Railway mileage (Mch. 31) was 1,353; that, industrially, the men employed in the various steel works totalled about 6,000 and in all industrial concerns about 36,000 with an estimated pay-roll of $8,000,000 and an output of $62,000,000. The great requirements of the Province were more population and agricultural production; an important prospect of the future was in tourist trade and fruit production; a serious need of the Fisheries was a limited use of steam trawlers, better storage facilities, and quicker transportation.

Political Conditions, Legislative Discussions, and Educational Affairs

There were some changes in the Nova Scotia Government during 1911. On June 28 Messrs. George E. Faulkner of Halifax, Robert Malcolm MacGregor of New Glasgow and Joseph W. Comeau of Comeauville, were appointed Ministers without Portfolio. The Hon. C. P. Chisholm, Commissioner of Public Works since 1907 retired after his defeat at the Elections and was succeeded on July 7 by Ernest Howard Armstrong, K.C., member for Yarmouth since 1906. Of this appointment the Halifax *Chronicle* (July 19) said: "Mr. Armstrong is a man who will accept public office as a public trust. He takes his public duties seriously and believes in performing them with an eye single to the public good. As a debater he is one of the most forceful speakers in the House of Assembly." Mr. A. K. Maclean, K.C., Attorney-General, retired to contest a seat in Halifax during the Federal Elections and was succeeded on Oct. 10th by the Hon. Orlando T. Daniels, Minister without Portfolio since 1907.

It was understood at the beginning of the year that Mr. George H. Murray, Premier since 1896, desired to retire on account of ill health but that he was persuaded to re-consider the matter. On Feb. 21st he was banqueted by the Liberals of the Province in honour of his recovery. In the Conservative party Mr. Charles E. Tanner, K.C., was formally elected Leader on Nov. 2nd after the local Elections. Incidentally a number of King's

Counsel were created by the Murray Government during the year —William Chisholm and Joseph A. Wall of Antigonish, John N. Armstrong of North Sydney, Henry T. Ross of Ottawa, Hugh Ross of Sydney, Jacob M. Owen of Annapolis and Nepeau C. Ruggles of Dominica in the West Indies. Of bye-elections there was only one before the general contest, in King's County, where Harry H. Wickwire, K.C., was elected by acclamation on Jan. 31 in succession to the late B. H. Dodge. In Digby, on Nov. 15th, H. H. Marshall (Cons.) was elected by 492 majority defeating A. E. Wall who had resigned to run in the Federal Elections and in Lunenburg, on the same day, C. S. Zwicker (Cons.) defeated William Duff by 191 majority in a seat vacated by A. K. Maclean (Lib.) who was elected to the Federal House.

The Legislature was opened in its 5th Session by His Honour J. D. McGregor, on Feb. 23rd, with a Speech from the Throne in which Provincial affairs were very fully reviewed. Reference was made to the death of King Edward, and of the late Lieut.-Governor, and to the general prosperity in the Province which had only been marred by the Coal strike. It was stated that " the production of iron within the Province has quadrupled during the year and the development of the gypsum quarries continues to be satisfactory. A very considerable amount of well-directed prospecting for the rarer metals has been carried on during the year with gratifying results." The year 1910 was also described as the most prosperous for the farmers in their history and in this connection a word was said for Government policy: " The most hopeful result from the agricultural campaign carried on by my Government is shown in the great growth of agricultural sentiment. The increased product of our cheese factories, amounting to 18 per cent. over last year and the product of our creameries which shows an increase of fifty per cent. over the previous year, are striking evidences of the advancement made. I am pleased to note the organization of a large number of Co-operative Farmers and Fruit-shippers' Associations and trust to see a growth of their number throughout the Province."

The value of the College of Agriculture was referred to and the establishment of a Fruit Experimental station near Kentville; gratifying conditions were said to exist in an educational connection, the number of Normal-trained teachers to be 40 per cent. of those engaged in teaching, and an extension of the rural Science School system and of the Pension arrangements for teachers was promised; a largely increased attendance at the Technical College was reported and the local technical schools were said to be growing in numbers and to be meeting the popular demand; an appreciable improvement of the highways was announced as being gradually brought about and further betterments in the road system were promised; reference was made to the Government's immigration efforts and to the important bearing of the C.P.R.'s

purchase of the Dominion Atlantic upon the future of the Province; a contract was announced between the Government and the Halifax and Eastern Railway Co. for the construction of a line from Halifax to Guysboro and reference was made to the C.N.R. making Halifax its winter terminus.

The Address was moved by H. H. Wickwire, K.C., and seconded by A. E. Wall. The latter referred to loyalty and optimism as the outstanding features of the document and Mr. J. M. Baillie, Conservative leader in the House, reviewed its terms with a due measure of Opposition pessimism. The Government should, he thought, have intervened in the Coal strike and handled "the corporations" in a stronger way. As to internationalism in Labour unions he asked: "Why should we be afraid of our workmen, who are both patriotic and loyal citizens, connecting themselves with organizations in the United States when our rulers at Ottawa can go to Washington and arrange a Trade Treaty?" He declared that there was no progress in farming or dairying in Nova Scotia and that the Government's efforts were mis-directed and the money mis-spent. As to school teachers he deprecated and denied permanency to the women engaged in that occupation. They would, most of them, marry and it was well for the Province if they did so. He denounced the administration of the Road Act vigorously and termed it a political machine. Mr. Premier Murray in his speech touched lightly upon various subjects and quoted Mr. Baillie's approval of the appointment of Prof. M. Cumming as Director of Agriculture. As Mr. Cumming was the head and front of the Government action and policy in this respect the approval was declared to nullify any criticism of general conditions. The Address was passed without further discussion and without division.

During the ensuing Session some useful legislation was passed. The Act codifying the law of Partnership and another preventing the introduction or spread of insects, pests, and plant diseases destructive to vegetation; the Act for the prevention of accidents by fire in hotels and one relating to the means of egress from theatres and other places of amusement; the measure dealing with neglected and dependent children; must be mentioned. Mr. A. K. Maclean amended the Public Utilities Act by providing that town or city Councils should give their consent before poles, wires, conduits, etc., were erected within their limits and that in other municipalities consent must be accorded through the Warden in each case. The Hon. D. McPherson carried an amendment of the Motor Act forbidding a speed greater than one mile in five minutes within incorporated towns and a three-minute limit elsewhere.

Mr. E. H. Armstrong's Temperance Act amendment was an important measure dealing with appeals, penalties, and extension

of operations. The definition of intoxicating liquors was extended to cover any liquor containing alcohol, societies and clubs were forbidden to keep it on their premises, imprisonment for three months was made the penalty for a second illegal sale of liquor and, if found on forbidden premises, it was to be deemed as kept for purposes of sale, expenses incurred by Inspectors were to be borne by the municipality concerned, physicians were to keep a register of all sales made by them, under penalty of fine or, for the third offence, one month's imprisonment, liquor could be seized by any officer upon reasonable conviction of being held for illegal purposes, appeals were permitted to the County Court except when judgment was rendered by a Stipendiary Magistrate. Halifax was still omitted, in the main, from the conditions of the Act. On Mch. 28 Mr. R. M. MacGregor's motion urging the Dominion Minister of Railways and Canals to forbid the transportation of intoxicating liquors into or within the Province was passed without opposition.

The Hon. C. P. Chisholm carried an Act respecting the construction and maintenance of Public Highways which authorized the Commissioner of Public Works to make a formal and thorough inquiry into the best and most practical means of improving conditions, classifying highways, etc., before actually expending an increased sum of money. The Education Act was amended and consolidated and a measure was passed authorizing localities not served by steam railways to construct electric railways with certain conditions under which a subsidy of $2,000 per mile, a guarantee of Company bonds, or a loan of $8,000 per mile secured by mortgage, could be given by the Government; an Act was approved consolidating the Mines Act and amendments thereto and Mr. R. E. Finn's Bill putting Street Railways under the Public Utilities Act was passed.

The charter of the Halifax and South Western Railway was confirmed and the Company authorized to sell certain lands—the condition of this project being discussed at length on Mch. 31 with an Opposition claim that construction was faulty and interest unpaid for three years. To this the Premier replied that Mackenzie and Mann were not compelled to pay this particular item of interest and that they had assumed its future payment without being under actual liability to do so. The 1906 legislation as to a Halifax & Guysboro Railway was amended so as to authorize the Government to grant $3,200 a mile, or guarantee bonds of $13,500 a mile, and to control the rates of any line constructed under these conditions; the Public Health Act was amended authorizing the Government to establish County Boards with specific powers. Amongst the local Acts was one authorizing the City of Halifax to hold a plebiscite upon the establishment of a Board of Control, another permitting the same City to borrow $200,000 for the purpose of encouraging the building up of an

iron and steel industry at the Port of Halifax, and one allowing the City of Sydney to borrow and grant $425,000 for aiding a similar industry.

Amongst the subjects discussed during the Session was the Workmen's Compensation Act of 1910 in which R. M. MacGregor endeavoured, unsuccessfully, to include workmen in sawmills and as to which the Attorney-General explained that they had followed the English law. Another was the Reciprocity Resolution* moved by E. H. Armstrong on Mch. 24, and seconded by A. E. Wall, supported by M. H. Nickerson, C. U. Mader, H. H. Wickwire and the Premier; opposed by J. M. Baillie and W. L. Hall and carried on a party vote of 31 Liberals to 4 Conservatives. Rod fishing in Provincial waters was discussed at length in respect to the rights of fishermen and farmers, respectively, in the lakes and rivers; Dr. A. S. Kendall (Radical) on Mch. 29 brought up the question of manufacturing development and alleged the existence of a conspiracy in Montreal, Hamilton and Toronto to prevent the Dominion Steel Company from going into the manufacture of materials of a higher grade.

The financial returns for the year ending Sept. 30, 1910, were submitted to the House on Mch. 20 by the Premier and showed a revenue of $1,592,363 as against the 1909 figures of $1,632,979. For this difference the Coal strike and reduction in mining dues was responsible. From Mines the receipts were $614,576 and from Dominion Subsidy $610,460; from Succession duties came $53,928, Interest *re* Halifax and South Western was $165,480, $77,500 came from Hospitals and the Provincial Sanitarium. The Expenditures were $1,720,102, which included $71,849 on Agriculture, $319,971 on Education, $216,793 on Public Charities, $66,798 on steamboats, etc., $304,984 on Debenture interest, $101,930 on Bank account interest. On Mch. 27 the Premier and Treasurer (Mr. Murray) presented the Estimates for the year 1911 as including a Revenue of $1,753,440 and Expenditures of $1,752,355. Mines were expected to produce royalties of $755,000 and the Dominion subsidy, etc., $610,460.

In the matter of Departmental Reports the Nova Scotia Hospital showed 194 patients admitted, and a total of 414 with 55 discharged as cured out of 112 or 28 per cent., with 55 deaths. The Employees Relief Fund (Miners) showed for 1909 a total of $196,657 of which the Government gave $39,510, the Companies $39,529 and the Workmen $117,616. The Factories' Inspection returns indicated various improvements with special attention to child labour, and its abuses, and to ventilation. The Hon. Mr. Chisholm's Report on Roads was elaborate and dealt with gradings, widths, culverts, bridges of various kinds, automobiles, etc. As to Education the Premier stated on Mch. 13th that the Nova Scotia Technical College was nearly completed and

* NOTE.—See Reciprocity Section and Provincial policy in that connection.

that the Public School enrolment (31 July, 1910) was 102,035. For this and the succeeding year the Report of the Superintendent of Education (Dr. A. H. MacKay) was very complete and elaborate—the statistics being as follows:

Particulars.	July 31, 1910.	31 July, 1911.
School Sections in Province	1,804	1,801
Sections without Schools	111	93
Schools in Operation	2,579	2,639
Total Number of Teachers	2,723	2,799
Total Number of Normal-trained Teachers	1,097	1,215
Total Male Teachers	339	331
Total Female Teachers	2,384	2,468
Number of New Teachers	533	563
Pupils in High School Grades	8,657	8,676
Pupils in Public Schools	102,035	102,910
Value of property in School sections	$106,997,993	$104,033,312
Value of School property	$2,580,375	$2,756,544
Total municipal expenditure on Education	$146,936	$146,821
Total Section Assessments	$761,013	$804,125
Total Provincial expenditure	$357,282	$378,726
Pupils in Technical Schools	1,432	1,610
Mechanical Science Pupils	1,978	2,010
Domestic Science Pupils	2,108	2,043
Teachers in Graded Schools	1,112	1,172
Pupils in Graded Schools	53,939	56,671
Teachers in Ungraded Schools	1,611	1,627
Pupils in Ungraded Schools	48,096	46,239

There was a continued increase in School attendance, a growing appreciation of Technical School courses, and an increase in the expenditure; an attendance at the Rural Science (Vacation) School at Truro of 134 school teachers and of 83 at the Summer Science School in New Brunswick who were preparing for improved rural instruction; all active teachers above 3rd class had to obtain physical training certificates from the Department of Militia and general improvement was reported in the physique, manners and discipline of the pupils—21 teachers taking the military course and 694 the physical; there were sixty more schools in Session than in 1910 but the average salaries to teachers were about stationary.

The Acadian or Bi-lingual schools were established in 89 school sections with 130 teachers using two languages with facility and they were said to be advancing "far ahead of the similar rural sections in the (eastern) Scotch settlements"; the school expenditure of the Province per capita of average attendance (1909) according to Dr. MacKay's Report was $21.70 as compared with $31.65 in the United States and $31.27 (1908) in Ontario—the Nova Scotia figures not including Technical or Agricultural College expenditure, etc. On Mch. 18th the Advisory Board of Education reported on the question of school books, after two years consideration and the collecting of a mass of information, and declared in favour of maintaining the existing (1903) contract with Morang of Toronto and Nelson of Edinburgh—the matter in the books being specially adapted to the schools of the Province. Regarding teachers Dr. MacKay had this to say:

We have an excess of them. They are flowing into the other Provinces. And although there are twice as many teachers leaving the profession every year now as compared with 19 years ago, due to industrial activity within and without the Province, we have three or four times as many coming up and passing our High School examinations. But the wage is kept so low, even by farmers who charge so much for their produce, that it may be a reflection on the ability of a young man or woman to teach in our rural schools. In addition to their other disabilities some of these small and weak Sections resist, even with violence, any enlargement to give them more wealth to support a useful school. A great deal of harm has been done by the unwise suggestion that the Government should do more to help these schools. For the parental and patriotic intelligence of many of the inhabitants of the vacant school sections is of an order lower than those to whom we send missionaries.

As to the Colleges the new Nova Scotia Technical College had 11 graduates in 1910-11 with a large number of students. Dalhousie University purchased the property and equipment of Halifax Medical College and arranged a future Medical Faculty, courses and degrees; the graduation class of the University was 47 with, also, 24 Bachelors of Law from the Law School; a property was acquired for new University buildings and Dr. John Forrest, President since 1885, retired and received various demonstrations of affection and respect while Prof. A. S. Mackenzie, B.A., Ph.D., was appointed his successor; a movement for $350,000 increased endowment was under way at the close of the year with a fair sum already raised. King's College, the oldest of British Colonial Universities, had 13 graduates in 1911, the proposed special Endowment Fund of $125,000 was considerably advanced and Canon T. W. Powell, the new President, did good work in forwarding the interests of his institution. Acadia University (Baptist) had a graduating class of 35 and an Endowment Fund of $200,000, including $50,000 from J. D. Rockefeller, $20,000 from Freeman Davidson of Boston and $5,000 from Sir F. W. Borden, was obtained. Mount Allison University appointed Dr. B. C. Borden President and started an Endowment Fund of $200,000. The University of St. Francois Xavier had 500 students in attendance with 12 degrees conferred in May. The Provincial Agricultural College at Truro, under Dr. Cumming, continued to progress with 62 in its regular course of 1910 or a 44-per cent. increase over the previous year.

The Nova Scotia General Elections

During this year the Legislature came to an end by process of time and the Murray Government—a continuation of Liberal Administrations which dated back to 1882—appealed to the people for the 4th time. The writs were issued on May 15th with nominations on June 7th and the Elections a week later. Mr. Murray's majority was very large and his position was considered very strong while the Opposition had only about four members in the Legislature where the Leader of some years had recently died. The fighting force in the party—Charles E. Tanner—had retired in 1908 when he sought election to Ottawa. The Murray Government had, also,

the co-operation of the Federal Government and, on the verge of the contest, was able to announce that appropriations had been made at Ottawa of $3,186,300 for Provincial purposes which included construction of the long-desired Eastern Railway running from Halifax to Musquodoboit. As the Halifax *Chronicle* (May 10) put it: "Mr. Fielding is relieving the Provincial treasury of an expenditure of more than a million dollars, and at the same time is placing isolated districts in direct touch with the Intercolonial Railway, and eventually, we hope, with the great transcontinental systems of the Dominion." The Liberals, in their platform and policy, urged the record of the past 29 years and claimed honest, courageous and progressive government to have been the product. No Manifesto was issued by the Premier but from the speeches of the campaign the following points may be summarized:

1. No wrong-doing had been alleged or proven against any member of the successive Liberal Governments.

2. Depleted revenues had been re-constructed and raised from $541,000 to $1,592,000. Wooden bridges had been replaced by permanent iron and stone structures. A refund of $671,000 of Provincial money invested in the Eastern Extension Railway was obtained from the Dominion Government and the annual Dominion subsidy was increased by $177,000.

3. The Dominion Coal Co. was organized and encouraged by the Government with the result that thousands of men had been added to the list of workmen, hundreds of thousands of additional dollars paid out in annual wages, the output of coal multiplied seven times with cities around each mine. The Dominion Iron and Steel Co. sprang into existence and a city of 20,000 people had grown about the works in ten years.

4. An Agricultural College had been founded in Truro and Experimental Farms put in operation in different localities.

5. The expenditure on Education had grown from $213,000 twenty years ago to $357,282 at the present time. A Pension Fund had been established in Halifax and Technical classes in every town in the Province. Engineering schools had been organized in every mining district.

6. Temperance legislation had been kept abreast of public opinion, manual training and domestic science introduced into the schools, and the Workmen's Compensation Act and other Labour legislation passed. A Provincial Auditor was appointed.

7. The Liberal Party covered the Province from end to end with splendid lines of railways and was now crowning its achievements by an arrangement for the construction of branch lines of the Intercolonial which would give long-desired communication to the Counties of Halifax, Pictou, Guysboro' and Victoria.

8. The Government had relieved the municipalities of the burden of building and maintaining both the great and small bridges of the Province. It spanned the streams of Nova Scotia with a magnificent system of bridges good for a century with proper care. It completed most of the smaller bridges and was rapidly bringing to an end this most important and beneficial work.

9. It had reformed the administration of the road service of the Province and dealt as effectively as possible with the highways. It was now embarking on a great forward scheme which meant permanent road improvement and betterment for Nova Scotia.

10. It had given every possible assistance to the fishermen and special encouragement to their boat-building. It had by a policy of public aid not only doubled the earnings of the mine-workers but had established special schools for their benefit and given assistance to their organizations and relief funds.

11. It had imported the best available live-stock for the benefit of stock-raisers and the improvement of domestic breeds, increased the public grants to Farmers' Associations four-fold, and had practically done all that the leading farmers, speaking officially through their organizations, deemed necessary in the public interest. It had established a Provincial College of Agriculture, which was doing splendid work and had founded a School of Horticulture and set out model orchards in every county inside the fruit belt.

The Conservatives denied the progressive conditions and pointed to the vacant farms of the Province and the decreasing population; alleged that stagnation was the better term to use and that such industrial development as had occurred was caused by Federal bounties and individual enterprise; declared that it was time for a change and that no party should anywhere be in power for more than three decades without change or a serious check; denounced the Government boldly, in many parts of the Province, for its support of Reciprocity and appealed to the fish exporters who were hostile to the Agreement and to the fishermen who were told that it would mean the abolition of their Federal bounties. The Government was described as allowing rich Crown lands or forests to pass into the hands of private speculators and lumbermen; and as permitting fishing rights in the inland waters to become the property of rich sportsmen to the exclusion of the people who had hitherto used the rod and line where they chose. It was denounced for an alleged unfair treatment of international unionism and for the lack of a broad policy of improvement in the public highways which were in a notoriously bad condition. The policy and charges of the Conservative Convention Resolution of June 29, 1909, were also reviewed and urged.*

A few things stood out clearly in the contest. The Government did not follow up its Attorney-General's 1910 announcement of large expenditures on highways but promised inquiry first and action afterwards and nothing new was really proposed. Much was, at first, expected from a supposed Reciprocity sentiment in the Province; later there were signs of modification and, at Pictou on Apl. 18, the Premier denounced Reciprocity in coal, stated that the Agreement would not affect local industries in that respect, and added: "The entire Agreement means much for the people of Nova Scotia and while it is not an issue which should affect our judgment on Provincial affairs, yet, at the same time, wherever it is used for local effect by our opponents, no Liberal in this Province need be afraid to defend it in its entirety. In the hearts and minds of people who study the subject, however, there must be an appreciation of the immense value of Reciprocity." Both the opposing party journals in Halifax supported John T. Joy, a Labour candidate, though the parties nominated regular candidates in the usual way. The Conservatives had no regularly selected Provincial Leader. Practically, Mr. C. E.

* NOTE.—THE CANADIAN ANNUAL REVIEW for 1909.

Tanner was in that position while J. M. Baillie was the head of the small band in the Legislature and the Liberal press, of course, made the most of the situation. The great difficulty and one impossible to adequately meet at this time was the popular belief that the Government would be returned to power; though even with that condition the Opposition hoped to better their five members and claimed 18 seats.

The Premier only made a few speeches during the campaign and his Pictou address (Apl. 18) was the chief. It was in the main an historical review of what has been already summarized with, however, this attack on the Opposition: "It would furnish reflection if our intelligent electors should ask what contribution our opponents have made to our splendid mining legislation, to our agricultural education, to our technical educational system, to our road and bridge policy, to our efforts to supplement the Provincial revenues by royalties and increased subsidies. Can any person in Nova Scotia point to any contribution which our opponents have made in respect to any of these matters of supreme importance?" He was at Sydney on June 8 and Glace Bay on the 9th. Much capital was made of the inclusion by Mr. Fielding, Minister of Finance, in the Federal estimates on May 8th of $2,000,000 for Intercolonial branch railways in Eastern Nova Scotia and $200,000 for a line in Cape Breton. As Mr. Murray had said to the press on May 9th:

> It is the most important decision given in recent years in so far as the development of Nova Scotia transportation is concerned. The general decision to assist non-railway portions of the Province will at present mean the construction of about 170 miles of railway, costing, I assume, in the neighbourhood of $4,000,000. But this large expenditure is not the most important part. I regard the policy of connecting certain portions of our Province with the Intercolonial Railway, thus giving connection with the general railway system, having a uniform freight and passenger rate to all parts of the country, as meaning much more than any result which could be accomplished by a purely corporation-built road.

John T. Joy put up a vigorous Labour fight in Halifax where *The Chronicle* opposed R. E. Finn, a Liberal candidate, and *The Herald* opposed J. C. O'Mullin, one of the Conservative candidates; while both papers supported Mr. Joy. His platform was general in terms with vague denunciations of rapacious corporate interests and capitalistic influence. Direct representation of Labour by a workingman was the chief plank. Other incidents of the Election were the Conservative publication of a letter written on Apl. 26 by A. W. Chisholm, Liberal M.P. for Inverness, which stated a weakness in the *personnel* of Liberal candidates in that constituency; a controversy, pro and con, as to the comparative prices of school-books in Nova Scotia and other Provinces with a Government defence resting on the Advisory Committee's report, on the claim that it would give no contract to a Departmental store monopoly as Ontario had done, and on the belief that locally-pre-

pared books were best, as far as possible, and the Conservative contention that the price of coal had gone up a dollar a ton because of an alleged combine of the great local companies. Reciprocity was pressed into the fight by the Halifax *Chronicle* (said to be Mr. Fielding's personal organ), and, on May 18th it declared that Mr. Murray and his Government stood for Reciprocity "because no other question means so much, or can mean so much, to the welfare of the Province." On May 29th it editorially urged that "the people of Nova Scotia should make their voice heard with no uncertain sound in support of this freer-trade measure, which opens up to them the greatest opportunity for commercial advancement and industrial development since Confederation." The Yarmouth Liberal Convention passed a Resolution in favour of Reciprocity. On Nomination day it was found that a straight fight was in process everywhere and that there were no acclamations; on Election day the Murray Government was sustained by a large majority. The following were the candidates and the victors:

Riding.	Conservative Candidate.	Liberal Candidate.	Candidate Elected.	Politics.
Annapolis	A. L. Davidson	Hon. O. T. Daniels.	Hon. O. T. Daniels.	Lib.
	N. P. Phinney	J. B. Hall	N. P. Phinney	Cons.
Antigonish	E. L. Gerrior	Hon. C. P. Chisholm	E. L. Gerrior	"
	Hugh McDougall.	F. R. Trotter	F. R. Trotter	Lib.
Cape Breton	J. C. Douglas	Dr. A. S. Kendall.	J. C. Douglas	Cons.
	R. H. Butts	W. P. Carroll	R. H. Butts	"
Colchester	Frank Stanfield	Davidson Hill	F. Stanfield	"
	R. H. Kennedy	Hon. B. F. Pearson	R. H. Kennedy	"
Cumberland	J. P. Gilroy	J. L. Ralston	J. L. Ralston	Lib.
	C. R. Smith	R. S. Carter	R. S. Carter	"
Digby	F. H. Marshall	J. W. Comeau	J. W. Comeau	"
	F. P. Deveau	A. E. Wall	A. E. Wall	"
Guysboro	J. C. Wells	J. C. Tory	J. C. Tory	"
	G. T. McNutt	Dr. J. F. Ellis	Dr. J. F. Ellis	"
Halifax	F. B. Blight	F. J. Logan	F. J. Logan	"
	N. B. Smith	Hon. G. E. Faulkner	Hon. G. E. Faulkner	"
	J. C. O'Mullin	R. E. Finn	R. E. Finn	"
	J. T. Joy (Lab.).			
Hants	Albert Parsons	George Wilson	Albert Parsons	Cons.
	P. M. Fielding	Dr. J. W. Reid	Dr. J. W. Reid	Lib.
Inverness	Thomas Gallant	D. MacLennan	D. MacLennan	"
	Dr. C. E. McMillan.	Hon. J. McDonald.	Hon. J. McDonald.	"
Kings	S. C. Parker	H. H. Wickwire	H. H. Wickwire	"
	C. A. Campbell	Dr. A. M. Covert	Dr. A. M. Covert	"
	N. W. Eaton.			
Lunenburg	A. C. Zwicker	Hon. A. K. Maclean	Hon. A. K. Maclean.	"
	J. W. Margeson	C. U. Mader	J. W. Margeson	Cons.
Pictou	S. G. Robertson	R. M. MacGregor.	R. M. MacGregor	Lib.
	J. M. Baillie	R. H. MacKay	R. H. MacKay	"
	C. E. Tanner	A. Mackenzie	C. E. Tanner	Cons.
Queens	W. L. Hall	W. P. Purney	W. L. Hall	"
	P. Kempton	Dr. J. W. Smith.	Dr. J. W. Smith	Lib.
Shelburne	Rev. W. Fisher	Robert Irwin	Robert Irwin	"
	J. Phillips	S. A. Nickerson.	S. A. Nickerson	"
Victoria	D. J. Bethune	Hon. G. H. Murray	Hon. G. H. Murray.	"
	D. McDonald	A. A. Buchanan.	A. A. Buchanan	"
Richmond	A. Landry	Simon Joyce	Simon Joyce	"
	J. McVicar	Dr. C. P. Bissett.	Dr. C. P. Bissett	"
Yarmouth	H. D. Corning	Hon. H. S. LeBlanc	H. D. Corning	Cons.
Yarmouth	J. L. D'Entrement.	E. H. Armstrong.	E. H. Armstrong.	Lib.

The Liberals elected numbered 27 and the Conservatives 11 and to the latter total were afterwards added the Conservatives elected in Digby and Lunenburg to replace Messrs. Wall and Maclean who resigned to go into the Federal contest. The Hon. C. P. Chisholm, Commissioner of Public Works, was defeated in Antigonish; Hon. H. S. LeBlanc and Hon. B. F. Pearson, K.C., Members without Portfolio, were also defeated; the Attorney-General's colleague in Lunenburg, C. U. Mader, was defeated by J. W. Margeson. In Pictou J. M. Baillie (Cons.) was beaten and Charles E. Tanner, K.C., elected to lead his party in the next House; R. E. Finn (Lib.) was chosen by a large majority in Halifax despite the attitude of *The Chronicle* and *Herald* and Mr. Joy was defeated. Dr. Kendall and W. F. Carroll were beaten in Cape Breton by Conservatives; J. C. Tory, Liberal candidate in Guysboro, was generally regarded as a personal acquisition in the new House. Both parties expressed satisfaction—the Conservatives at winning six additional seats, defeating three Ministers, and giving a blow to Reciprocity in certain fishing counties where the Liberals were certain of success; and the Government because it had a substantial majority and a largely-increased vote in Halifax with victory in most of the mining and industrial districts and a personal majority of 1,000 for Mr. Murray in Victoria.

Resources and Development of New Brunswick in 1911

This year saw a new spirit of progress and optimism in New Brunswick. Great projects were afoot and matters of large public policy were under discussion. The St. John Valley Railway, the Harbour works in East St. John, the Railway from Fredericton to the Queen's County coal-fields, the Grand Trunk Pacific expenditures, the C.P.R. Elevator proposal, involved sums totalling at least $20,000,000 and estimated as high as $36,000,000, of expenditure within four or five years. Sir William Mackenzie purchased 192 square miles in the oil shale areas of Albert County and it was announced that he would erect there a retorting and distillery plant such as is used in Scotland and gives employment to large numbers of men; the contract for extensive developments at St. John—ultimately awarded to the Norton-Griffiths Co.—involved work on the breakwater, dredging, wharves, and a dry-dock, estimated at $8,000,000 in cost; the Kent Northern Railway, running 27 miles from Richibucto to Kent on the I.C.R., was purchased by a Toronto syndicate; at St. John itself 122 vessels cleared during 1910-11 for trans-atlantic ports or double those of a decade before while the tonnage of all vessels using the Port had trebled, the Exports increased by two millions a year and the Bank clearings by nearly four millions a year. The Province seemed to believe that its time had come and, to quote the St. John *Standard* of Dec. 16, 1911:

At the Atlantic gateway of the Dominion, on the great highway between two continents, with unrivalled forest wealth (its hardwood almost untouched), great water power, immense coal-fields, natural gas, great areas of rich oil shales and iron ores, she offers the best manufacturing sites in America. Her area, suitable for agriculture and fruit-growing, is at least 12,000,000 of acres, of which but 4,000,000 are partially occupied. Her soil and climate produce fruit and vegetables of the highest quality and, coupled with these, nowhere is there a more pleasant land to live in—an ample but not excessive rainfall, a sunshine record unexcelled anywhere in the same latitude; lakes, rivers, streams, trees, fruits and flowers which combine to make New Brunswick the land of comfort and homes.

During the year the aggregate capital of new incorporations in the Province was $8,554,100, the Clearing-house returns were $77,328,272, the total export trade (Mch. 31) was $28,273,454 and import trade $11,473,797, the total value of its Fisheries product $4,134,144. In the matter of water-power the actual total for the Province was not large but in the Grand Falls, on the St. John River, nature had provided one great water-power with vast stores of spruce closely available. Sir W. C. Van Horne, during the year, secured the rights of another concern there and his Great Falls Power Co. promised to develop a large pulp and paper industry at a cost of several millions. It was stated by the St. John *Standard* on Nov. 18 that besides the N. B. Hydro-Electric Co. which proposed to develop 10,000 horse-power for delivery in St. John there were various projects under way at Bathurst, Aroostook Falls, Centreville, Chatham, Grand Falls, St. Stephen, and Woodstock involving an investment of $836,000 and horse-power capacity of 37,792. The Lumber cut of 1910 was 419,233,000 feet B.M. valued at $5,560,780; in 1911 various enterprises were afoot besides Sir William Van Horne's. The Eastern Canada Lumber and Construction Co., composed of New York capitalists, took over the large Prescott limits in Albert County at a cost of about $250,000. A merger of the Gibson lumber interests by which the Gibson Mills, the Partington Pulp and Paper Mills and the Cushing Lumber Mills of St. John were brought into one concern, was effected.

In this connection it was said that fortunes could be made through the by-products of lumber and a Report of United States Government experts was quoted as follows: "From this wood, by industrially developed chemical methods, the entire output of naval stores, embracing turpentine, rosin, tars, pitch, rosin spirits, and rosin oils having an annual value of at least $30,000,000, may be obtained without boxing or turpentining a single live tree." Albert County in general, and Moncton in particular, rejoiced over its findings of oil and natural gas. The town itself in 1911 showed an increase of 2,300 population since the previous Census —a large one for New Brunswick. To the Canadian Club of this town on Dec. 12th W. Leonard Palmer of the London *Financial News* said: "The Province possesses available water power to the

extent of 150,000 H.P., which should be a great incentive to manufacturers. You have also a seemingly unlimited supply of natural gas which, if and when, put to proper commercial use should result in great industrial developments in the district. Then, the Province, despite what has sometimes been said to the contrary, is apparently rich in minerals and the large shale deposits in Albert county, are likely of themselves to lead to considerable industrial growth." In Mining the Province had averaged half a million production; in 1910 the amount was $581,942 and in 1911 $611,597. Its resources had never been clearly indicated but were large enough to warrant greater development.

Agriculture in New Brunswick had been aided of late years by a variety of Government methods but education and enterprise were still needed amongst the farmers themselves. It was stated that the Agricultural grant had been increased $22,000 in three years but was still too small and much was hoped from the new Federal Government's policy. The Provincial Government in the meantime was encouraging pure-bred live-stock and bringing some into the country; it was also helping poultry raising. The Expert engaged in this latter connection went all over the Province and gave instructions as to the best methods to be pursued. There was no question as to the demand both locally and in Great Britain. Every effort was also made to re-awaken interest in the dairying industry, but outside of one or two localities it cannot be said that any considerable progress was made. Agricultural Societies were encouraged and had a large increase in number; assistance was given to the inspection of dairy herds for city milk supply and alfalfa growing encouraged as a source of food for dairy cattle; attendance was promoted at various Agricultural Colleges by the Department of Agriculture (Hon. D. V. Landry) and 40 students were sent out in 1910 with fares paid; apple-growing was aided by the work of the Provincial Horticulturist and the annual Fruit Show at St. John on Oct. 31, 1911, proved a revelation in the possibilities of this Provincial fruit; much encouragement was given to the Potato industry. At the meeting of the Provincial Fruit-Growers Association, on Dec. 1st, the Dominion Minister of Agriculture was urged to establish an Experimental Farm for the Province. The agricultural product of 1911 was valued at $17,000,000 as follows:

Crop.	Area. Acre.	Yield per acre. Bush.	Total Yield. Bush.	Total Value.
Spring Wheat	13,245	20·39	270,000	$290,000
Oats	198,457	28·86	5,727,000	2,858,000
Buckwheat	61,756	26·44	1,633,000	934,000
Potatoes	40,220	214·49	8,627,000	4,486,000
Turnips	9,314	416·49	3,879,000	1,319,000
		tons	tons	
Hay and Clover.....	588,189	1·42	835,000	6,791,000

The production of barley, rye, peas, beans, etc., totalled 170,000 bushels worth $120,000. The Government continued its

effort in 1911 to encourage Immigration. Mr. Premier Hazen stated in London on June 10 that: "We have fruit lands as well as farm lands, mineral areas as well as timber lands, which only await more labour and more capital to offer every bit as good a bargain as may be found one, two or three thousand miles west of us, and, consequently, all those thousands of miles farther away from the Old Country. Moreover, owing to the number of our young men who have gone West, to take up larger farms than those owned by their fathers, there are in New Brunswick a number of small farms with clear land and well built homesteads and outbuildings which can be purchased freehold for very little money." Superintendent A. B. Wilmot reported 305 settlers in 1909 and 704 in 1910 obtained through his Immigration Offices. They were slowly coming in during the next year and on Apl. 15 Mr. Bowder, the Provincial Agent in London, brought over 118 men—chiefly farmers.

The Boston Agency of the Government was closed at the end of the year and, following the change of Government at Ottawa, vigorous suggestions were made as to altering the Federal immigration literature so as to do justice to Eastern Canada. On Dec. 19 Mr. Arthur Hawkes, the Dominion Special Commissioner on Immigration, was in St. John and a conference was held with the Premier and the Council of the Board of Trade and others and a guarantee raised by the Board of Trade to establish a branch of the Imperial Home re-Union Association which provided money to enable immigrants already in Canada to bring out their families and which was already organized in Toronto, Winnipeg and other places. At the Conference W. W. Hubbard, Secretary for Agriculture, said that 75,000 to 100,000 families could be comfortably settled in New Brunswick on the present farm lands through cultivation by the practice of intensive farming and the use of modern methods of agriculture—without exploiting any of the Crown Lands. Of 35,000 farms, averaging 145 acres each, scarcely one, he declared, was producing up to the limit.

Government Changes, Legislation, and Political Affairs

There was a mixing of Dominion and Provincial politics everywhere in 1911 and nowhere was this more clearly seen than in New Brunswick. The Hazen Government during its three years' administration had carried out various reforms and was apparently popular in the Province; but co-operation with the Liberal powers at Ottawa seemed difficult. Of this fact the St. John Valley Railway was one indication; the Reciprocity Agreement was to prove another. On Jan. 26 a public meeting in St. John was addressed by the Hon. J. D. Hazen and his chief lieutenant, Hon. J. K. Flemming. The Provincial Secretary took great credit for the Government's re-organization of the Provincial finances, the appointment of an independent Auditor-General and the safe-guarding of the business and funds of

the people; described at length the alleged loose methods and bad financing of the late Liberal Government and dealt elaborately with present expenditures as along lines likely to build up and develop the Province. Mr. Premier Hazen denounced in set terms the "rancour and bitterness" of the Opposition and the local Liberal press as guilty of gross and continuous misrepresentation. His Government in 2½ years had carried out every pledge made in Opposition—independent Auditor, a new Highway Act, generous Road grants, honest collection of Crown land revenues, Bridges repaired or rebuilt in every direction, new and cheaper school books, a Pension for school teachers and the development of immigration.

The Government was proud of its financial record and the facts may be summarized here. The Report of the Surveyor-General (Hon. W. C. H. Grimmer) which was made public in March showed a territorial or Crown Lands revenue of $494,491 in 1910 as compared with $395,283 in 1909. The increase was said to be due to "a more systematic method in scaling of the logs upon which stumpage was charged." Of stumpage dues the collection in 1907 under the Robinson Government had been $180,135 upon exports of 355,000,000 feet of lumber; in 1910 the figures were, respectively, $330,360 and 327,000,000 feet. Later figures showed a territorial revenue for the year 1911 totalling $529,823 of which $367,641 came from stumpage dues. The total Receipts for the year ending Oct. 30, 1909, were $1,259,826, for 1910 $1,324,440, and for 1911 $1,347,077; the total Expenditures were, respectively, $1,255,381, $1,317,876 and $1,403,546. In 1911 there was a small deficit for which an additional expenditure upon Bridge repairs—$162,524 in 1910 and $236,128 in 1911—was said to be responsible.

The chief items of revenue in this latter year were the Dominion Subsidy of $621,360 and the Territorial revenue of $529,660, with $48,278 from taxes on incorporated companies, $46,631 from Liquor licenses and $25,089 from the Provincial Hospital. The Expenditures included $46,624 upon Agriculture, $270,655 upon Education, $245,193 upon Interest, $415,761 upon Public Works. There were, also, special Receipts from two Bank loans of $475,802 and $310,221 in amount, expended in part upon Permanent Bridges ($156,028), International Railway subsidy ($56,300), New Brunswick Coal and Railway Co. ($102,763), and the redemption of $87,500 worth of debentures and re-payment of a Bank loan of $268,314. The Government claimed that Bridge work had been neglected by the Liberal Government and that in 1907 the expenditure was only $94,000 as compared with the current total of $236,000 and that they had also increased payments on Agriculture by $13,423 in that period, on Education by $55,762 and on Public Works by $185,944.

In Mr. J. K. Flemming's Budget speech on Mch. 14 he estimated a small surplus of $24,182 which was not realized but he also stated increased applications for public services and the smallest increase in the Public Debt for many years—the total Debt in 1910 being $6,400,042 and the Assets $1,997,495; declared that there were no suspense accounts or overdrafts and promised a reduction of 10 per cent. in school-book prices while showing increased salaries to school teachers. Mr. J. F. Tweeddale (Lib.) replied and claimed extravagance and wastefulness. Mr. A. B. Copp, of the Opposition, at the close of the year laid stress upon the deficit in 1911 of $56,496, added to it the 1910 balance of $96,652 and the $102,763 expenditure on the New Brunswick Coal & Railway Co., which, he claimed, should not be in capital account, stated that $100,000 of accounts had been held over to the next year and thus produced a deficit of $350,000. The Government's reply was an estimated Revenue for 1912—including the small admitted deficit of 1911—totalling $1,370,682 with Expenditures of $1,361,286.

A Bye-election was fought early in the year and great efforts made by the Opposition, under Mr. C. W. Robinson, K.C., to win a victory. The vacancy was in York and had been caused by the death of Thomas Robison (Cons.). The Liberals nominated George F. Burden, ex-M.L.A., and the Conservatives Dr. O. E. Morehouse. The Opposition had the usual Federal backing. F. B. Carvell, M.P., spoke at a number of meetings. The St. John Valley Railway was an issue in the contest and Hon. J. K. Flemming on Mch. 25th met Mr. Carvell at a joint meeting in Meductic and declared that the Railway would be built by the Hazen Government "despite the unpatriotic policy of the Laurier Government and its followers." The Hon. Dr. Landry also met A. B. Copp, M.L.A., in a joint debate at Maryville. On Mch. 30th Dr. Morehouse was elected by 1,217 majority as against the preceding one of 1,202. The Premier at once issued a statement declaring that Mr. Pugsley and the Ottawa Government had made this practically a Federal contest and attack upon the Provincial Government. "The result is due to the fact that the people of York County have had plainly placed before them the record for three years of the management of this Government as compared with the last three years of the previous Administration, and I feel convinced that the present Government has given clean, decent, honest and progressive government to the Province. The victory was a most remarkable one, the campaign was carried on from Ottawa and every influence the Minister of Public Works was able to use had been requisitioned."

The 4th Session of the fifth Legislative Assembly of the Province was opened on Mch. 2nd by His Honour L. J. Tweedie, K.C., in a Speech from the Throne which referred with regret to

the King's death and expressed loyal allegiance to King George " who brings to the discharge of his important duties a wider and more personal knowledge of Greater Britain than was possessed by any previous Sovereign "; mentioned the continued prosperity of the people and the largest hay crop in Provincial history; spoke of the increasing number of agricultural societies, the opportunities given to the farmers to buy pure-bred Stock at reasonable prices, and the importation of sheep from Ontario and their sale at auction throughout the Province; mentioned the diversion of Nova Scotia potato shipments to the Port of St. John, the increasing general interest in fruit-growing and the Government's effort to encourage poultry-raising and attract immigration; referred to the Campbellton fire and the receipt of $100,000 from all over the country, Great Britain and the United States, to help in re-building the town; mentioned the gift of land and buildings by Mrs. J. C. Jordan for the establishment of a Provincial Sanitarium for Consumptives, the St. John Valley Railway project, and the completion of a Line from Grand Falls to the Intercolonial junction; dealt with the representation at Ottawa question and the hoped-for settlement of outstanding claims against the Dominion; promised a further reduction in school book prices.

The Address was moved by Thomas A. Hartt (Cons.) and seconded by D. P. MacLachlan (Lib.). The Opposition Leader (C. W. Robinson), in following, described the growing interest in fruit culture as a result of the late Government's efforts; stated that he could endorse the Hazen Government's St. John Valley Railway policy up to the point of guaranteeing $25,000 a mile with a Provincial liability of $6,000,000; expressed pleasure at what had been done in school-book matters but did not quite like the methods involved; described the Government as wasting the public moneys on their political friends in the guise of Bridge expenditures; claimed that the Provincial Government really had a mortgage or lien on certain rails of the Alberta Southern Railway which had been taken up and sold by contractors for $30,000 and he demanded protection for the creditors. Mr. Premier Hazen described this speech as exceedingly moderate and reviewed the policy of the Government in various directions; announced a measure regarding the Jordan Memorial Sanitarium and its government by an independent Commission together with generous aid for local Hospitals in dealing with Tuberculosis; stated a grant of $5,000 per year for ten years to aid in re-building Campbellton and declared that the Valley Railway liability was not a serious one.

There is no doubt that the Railway, when constructed, will be part of a trunk line leading from the great West across the continent to the Quebec Bridge and thence down the St. John River Valley, the natural outlet to the Atlantic Coast; and while there will be interest charges to

be paid the first few years by the Province it will be only a comparatively few years until there will be no interest payments to make. If this route across the Province of Quebec and down the St. John Valley is to be 275 miles shorter from Quebec to St. John than *via* the Intercolonial and 255 miles shorter than *via* the Grand Trunk Pacific and practically the same distance, but with easier grades, than the C.P.R.'s route across the State of Maine, it must naturally become part of a trunk line.

A. B. Copp (Lib.) arraigned the Government in vigorous terms and claimed that Bridge moneys were being largely expended without tenders. He was replied to by F. M. Sproul who told him that he "knew no more about bridge-building than a South African ape knows about snow-balling!" Other speakers followed and the Address passed on Mch. 8th without division—W. F. Hatheway (Cons.) making a strong attack on the late Government for giving away public franchises. He instanced the Grand Falls water-power said by Sir W. C. Van Horne to be worth $1,000,000 with a possible development of 800,000 horse-power —which had been granted in perpetuity for $2,000 a year after 20 years or a purchase option of $160,000; and the New Brunswick Petroleum Co. which had been accorded all the gas and oil rights in six Counties for 99 years on a 5 per cent. royalty basis.

Though having a large Conservative majority in the Province and only one Liberal in its own ranks the Hazen Government, like preceding Liberal ones, claimed to be non-partisan in Provincial affairs. Mr. Morrissy was the Liberal member of the Government and in Dominion Elections gave a measure of support to the Laurier local candidates. J. P. Burchill (Lib.) on Mch. 17 dealt with this subject in the House and declared it unfortunate that the drift of the House was towards party lines. He understood that when the Government came into power it would act as a coalition Government and could not himself see any reason for a division on party lines in the Province. As against this statement several Liberal appointments by the Government were mentioned, notably that of W. S. Carter as Chief Superintendent of Education. In this connection, also, the Reciprocity motion of Mr. C. W. Robinson urging ratification of the Agreement at Ottawa and an increase of the British preference to 50 per cent. was on Mch. 23rd voted down by 29 to 15. According to the statements in the *Parliamentary Guide* J. F. Tweeddale, who supported the motion, was a Conservative and Hon. John Morrissy, S. P. MacLachlan and C. L. Cyr, who opposed Reciprocity, were Liberals. Otherwise it was a straight party vote. On Apl. 11 the following Resolution, upon motion of Mr. Premier Hazen, seconded by the Opposition Leader, was passed unanimously, after Mr. Hazen had explained that New Brunswick commenced at Confederation with 15 members at Ottawa and received another after the Census of 1871; then in 1891 lost two members and in 1901 one more with another loss impending:

Resolved, that in the opinion of this Legislature each of the Maritime Provinces should have as a Dominion representation in the House of Commons the same number of representatives as it had on becoming a Province of the Dominion; that in the redistribution of constituencies to be made after the next and any future decennial Census the representation of each of such Provinces should not be less than the minimum; that steps should be taken at once to seek the co-operation of the Legislature or Governments of other Provinces and of the Federal Parliament, with a view to mutually agreeing upon such an amendment of the British North America Act as will give effect to the purport of this Resolution.

On Apl. 12 a loyal Address was unanimously passed expressing congratulations to the King upon his accession. Of the legislation approved during the Session the most important was, perhaps, the Government measure prohibiting the export of pulpwood cut on Crown Lands unless locally manufactured into pulp or paper. It was presented by Hon. W. C. H. Grimmer and the chief opposition was from Mr. C. H. LaBillois who declared that it would mean ruin to the town of Dalhousie and deprive 3,000 men of employment by a local American firm of lumber exporters. The Premier passed a measure prepared by himself and the Opposition Leader for the prevention of corrupt practices at Elections. Under its provisions any 25 electors could make a deposit of $100 and petition the Chief Justice for an investigation into the conduct of the campaign. Two Judges would be appointed and if their report showed corrupt acts the names of those guilty were to be sent to the Clerk of the County Court who should prosecute them and, if found guilty, disqualify them from voting for seven years. Mr. Flemming carried a measure authorizing the Government to borrow $65,880 for the New Brunswick Coal & Railway Co.; Mr. Maxwell amended the Factories Act to provide for certificates of competency or service for boiler engineers; the Motor Act was amended so as to provide a limit of speed—20 miles an hour in the country, 15 in villages and 8 in towns and cities; the Premier presented a Bill to further aid the development of coal areas in Queens and Sunbury, where it was estimated that 150,000,000 tons were available, by guaranteeing $15,000 per mile of the bonds of any Company that would construct a Railway 30 miles from Gibson to Minto, lease the line from Minto to Norton, pay the Province a percentage of net earnings and purchase at least 100,000 tons of coal yearly; an Act was passed enabling the citizens of St. John to hold a plebiscite upon the government of the City by a Commission and another guaranteeing the bonds of Campbellton to the extent of $100,000. The Legislature was prorogued on Mch. 13th after passing 139 Bills.

Mr. Hazen went to England in May to attend the Coronation and Hon. Mr. Flemming became acting-Premier. In London the former was banqueted at the Constitutional Club on May 31st with Messrs. Bonar Law, J. L. Garvin, Max Aitkin, M.P., Rud-

yard Kipling, F. E. Smith, M.P., Clifford Sifton, Lord Dunraven, Richard McBride and many others present. Other functions were given in his honour and he was presented to the King and Queen at Buckingham Palace; on returning home a notable banquet was given the Premier at St. John. Following the Dominion Elections, in which the New Brunswick Government contributed a strong support to Mr. Borden and his party, the Hon. J. D. Hazen was called to the new Administration at Ottawa and on Oct. 16th the Hon. James Kidd Flemming, Provincial Secretary since 1908, was sworn in as Premier and Surveyor-General. In the re-adjustment of Portfolios, the Hon. W. C. H. Grimmer became Attorney-General and Hon. H. F. McLeod, Provincial Secretary. The Hon. John Morrissy remained Chief Commissioner of Public Works, Hon. D. V. Landry, Commissioner of Agriculture, and Hon. Robert Maxwell became President of the Council. A new member of the Government, without Portfolio, was Mr. James A. Murray of Sussex who had been in the Legislature since 1908.

The new Premier's first step was to suggest to the Governments of Nova Scotia and Prince Edward Island a resumption of Conferences as to the continued reduction in Maritime Province representation at Ottawa—the 1911 Census making a loss of five seats probable. The second was the receipt of a public banquet at Woodstock (Nov. 3rd) given in honour of their locally-born Premier. Mr. Flemming's outline of policy included rapid construction of the St. John Valley Railway, protection of forests from fire and improper lumbering, a strong effort to prevent any further reduction in Parliamentary representation, administration of affairs along non-party lines.

Bye-elections took place in St. John and Sunbury Counties on Dec. 14—the former vacancy caused by the retirement of James Lowell (Lib.) to stand in the Federal Elections and the latter through Mr. Hazen's promotion to Ottawa. Colonel J. B. M. Baxter, K.C., in St. John and George A. Perley in Sunbury were elected by acclamation—both Conservatives. Meantime the Liberal party had also changed its Provincial leaders. The ex-Premier, Clifford W. Robinson, K.C., had wanted to retire more than once since 1908 and in December, 1911, he finally did so. On the call of Hon. William Pugsley a Liberal Convention was held in St. John on Dec. 27th, and the unanimous nomination as Leader tendered to Arthur Bliss Copp, LL.B., member of the Legislature since 1901, and known for energy and eloquence in his political work. To quote the St. John *Telegraph:* " He is a fighter, and as an effective campaigner has no superior in this part of the country. During many campaigns he has been a leading exponent of militant Liberalism in this Province and in every county he has been heard with great acceptance by the people."

THE HON. JAMES KIDD FLEMMING, M.L.A.
Appointed Prime Minister of New Brunswick in 1911.

The Grand Valley Railway; Education and other New Brunswick Questions

This Railway project had been a subject of party controversy ever since the Hazen Government took office. It was an old proposal revived in a different form and the Toronto *Globe* (Jan. 5, 1912) had an interesting reference to it as a matter which once threatened to disrupt the Macdonald Government in the historic Battle of Routes incident. "When the Intercolonial Railway was made one of the conditions of Confederation in 1867 there were three routes in competition for the line, the one at present in use along the Bay of Chaleur and the Gulf of the St. Lawrence to Moncton, the Central route now used for the Transcontinental, and the Western route now to be used for the new Railway. The Central route had in those days no chance as against the Eastern one advocated by the late Mr. Peter Mitchell and the Western one advocated by the late Sir Leonard Tilley." In detail, and between the Dominion and Provincial Governments, the issue at the beginning of 1911 lay in the former having offered through Mr. Pugsley, Minister of Public Works, to subsidize a railway from St. John to Grand Falls as part of the Intercolonial system connecting with the Grand Trunk Pacific; while the latter desired a Line from St. John to the Maine border and across Maine and Quebec to the City of Quebec by a separate route. There were also conditions in the Federal offer which the New Brunswick Government did not approve and they had obtained in 1910 permission from the Legislature to give Provincial aid to such a Railway whenever conditions permitted.

On Feb. 25 Thomas Malcolm, who had just completed the International Railway, wrote on behalf of the Quebec and New Brunswick Railway Co.—holding a Dominion Charter—and offered to construct the proposed line at once, subject to subsequent lease to the Canadian Government, operation as a part of the Intercolonial, a Provincial guarantee of bonds and certain modifications in detail. The Premier replied on Mch. 2nd stating that when the 1910 Act had been proclaimed and some Resolutions passed which were then before the Ottawa House he would go into the matter. Two weeks later the Malcolm letter was read in the Legislature by Mr. Tweeddale, an Opposition member. Some vigorous references followed and J. A. Murray (Mch. 16) stated that the letter was not a definite offer and had been marked private when sent to Mr. Hazen. The Administration would carry out its pledges and build the road despite the opposition of the Liberal members and press and of the Government at Ottawa. A Report was also submitted at this time by D. F. Maxwell, Chief Engineer in charge of the Valley surveys. He went into the subject at length, estimated the cost of the sections, and concluded as follows:

> The importance of the St. John Valley as a route for a great highway cannot be over-estimated and the proposition to build a railway along it

is not merely local but national in both scope and character and the time is now within measurable distance when more than one Transcontinental railway entering this valley, either by the national road now building or by what may be a shorter route across the State of Maine, and seeking an ocean terminal at St. John, must of necessity traverse some portion of the line now under consideration as it is the existence of the peculiar physical features of this country that make possible a railway of this character, and that must, eventually, make of the Port of St. John one of the four great shipping ports of the world.

On Mch. 22nd the Provincial Act of 1910 was proclaimed in part, on the 20th the subject was debated at Ottawa, and a Resolution of the Minister of Railways passed which provided for the taking over and operating as part of the I. C. R. of a Valley Railway constructed by a private Company under Provincial guarantee of bonds. A Bill embodying these Resolutions was also passed in due course. On Apl. 27 Messrs. Flemming, McLeod, Maxwell and Morrissy of the Provincial Government discussed the matter at Ottawa with Mr. Pugsley, Minister of Public Works, and afterwards with Mr. R. L. Borden. A letter signed by the four Delegates and dated Apl. 28 was sent to Mr. Pugsley. In it the New Brunswick Aid Act of 1910 was quoted as providing two plans—one for the guarantee of bonds for a railway from Grand Falls to St. John, or a point on the C.P.R. near Westfield, on condition that it be leased to the Intercolonial; the other for a line from Andover (near the Maine border) or some other point in Victoria County, by Centreville and Lakeville to Woodstock and the St. John Valley to the same objective point.

The Delegates asked that the Federal Subsidy Act be amended and the amount made payable under either of these plans. If the Province made a contract under the second plan it would be with reasonable assurances that the Railway would extend through Maine and Quebec and connect with the Grand Trunk at or near Quebec City. On May 4 Mr. Pugsley replied that he and the Minister of Railways had come to the conclusion that they should have more definite information as to route, location, character and mode of operation—electricity or steam. In reply Mr. Flemming wrote on May 16 enclosing a letter from A. R. Gould, President of the St. John & Quebec Railway Co. It was dated May 11, addressed to the Provincial Premier and referred to an arrangement as having been made with the Hazen Government on Mch. 25, 1911. Mr. Pugsley replied at length stating that the particulars asked for had not been given, deprecated the apparent abandonment of construction to Grand Falls and I.C.R. connection, stated that Mr. Gould had no charter right to go to Quebec and declared that he would not change the Subsidy Act so as to help a project running from Andover instead of Grand Falls.

On May 25th Mr. J. K. Flemming wrote Mr. Pugsley claiming that the St. John-Grand Falls plan was rendered abortive by

the Federal standard of construction and enclosed copy of a draft contract between the New Brunswick Government and the St. John and Quebec Railway which would be signed as soon as the Department of Railways gave assurances as to the Dominion Subsidy of $6,400 per mile being available. "You will observe that the draft of the contract provides for the construction of the road to the City of St. John, crossing the St. John River at the Mistake and entering the city upon the east side. This provision is contingent upon the necessary aid to construct the bridges across the St. John and Kennebecassis being provided by the Federal Government. I believe that this arrangement will meet with your approval. You will observe that the contract calls for the completion of the road from the International boundary to Woodstock by the 1st of July, 1912; to Fredericton, 1st of July, 1913, and to St. John or Welsford by the 1st of July, 1914."

Mr. Pugsley in a long press statement of May 31, denounced the Provincial project as a whole, declared the securities and safeguards insufficient, and declined to depart from his policy of I.C.R. connection and operation. On June 5th, before any official reply was received, Mr. Flemming wrote offering to change the arrangement so as to construct from Grand Falls and place the Line under I.C.R. operation if the Dominion Government would waive its impracticable standard of construction. A conference was suggested and this the Minister at once accepted. A further long letter of suggestions and comments from Mr. Pugsley also followed. The conference took place at Ottawa on June 13 with Messrs. Flemming, Morrissy and Maxwell representing the Provincial Government and an amicable arrangement was apparently come to. On Sept. 8th Mr. Gould wrote to the Minister of Public Works at Ottawa saying that whenever the contract was signed by the Department of Railways, and the Subsidy made available, construction would begin; on the 14th Mr. Pugsley wrote that he had heard nothing from the Provincial Government since their June interviews, but, whenever they were ready to execute the contract, he would ask the Minister of Railways to sign it. Meanwhile the Federal Elections were going on and nothing more was done. Soon after they were over Mr. Flemming proceeded once more to Ottawa (Nov. 18) and it was understood made favourable arrangements with a Government which now included Mr. Hazen and whose Premier (Mr. Borden) had written on June 15th preceding to O. S. Crocket, M.P., declaring that the Subsidy should be granted at once by Order-in-Council. The contracts for construction were signed, sealed, and delivered at Fredericton on Dec. 12th and President A. R. Gould stated that 125 miles would be built in the next six months.

Educational conditions in New Brunswick during the year showed distinct improvement. Dr. W. S. Carter's annual Report as Chief Superintendent dealt with "the largest number of

schools in the history of the Province" and made certain suggestions. He recommended uniform contributions from the districts to school support and asked for legislation enabling towns and districts to establish medical inspection of schools under Departmental regulation. He announced that school flags were to be flown on every fine day when school was in session and on certain specified occasions, while a military salute was to be given once a week or oftener by the pupils in the school-yard followed by a singing of the National Anthem. The Union Jack was recommended and not the so-called Canadian flag. Dr. Carter expressed the opinion that matriculation to a University should not be the only aim provided for in a high school course. "There is a general demand for commercial, agricultural and technical courses as well. I have in previous Reports pointed out the necessity of this Province falling into line as to a four-years High School course. In St. John City there should be provided, in addition to the present classical course, a commercial and, say, one branch of industrial education; in towns such as Fredericton and Chatham, classical and commercial courses; in Moncton and Campbellton, classical and industrial courses; Woodstock and Sussex, classical and agricultural courses." The Statistics of the year 1910-11 were as follows:

	1st Term, 1910-11.	2nd Term, 1910-11.
Number of Schools	1,913	1,885
Number of Teachers	2,021	1,975
Number of Pupils	61,286	63,073
Number of Boys	30,207	31,871
Number of Girls	31,079	31,202
Average Pupils daily present during session	44,348	41,597
Proportion of population at School	1 in 5·40	1 in 5·24
Provincial Grants to Teachers		$196,081
Total County Fund Grant to Schools		$97,447
Average Salaries Superior School Teachers		$692.49
Average Salaries in Common Schools—		
1. Male Teachers....1st Class....$677.26	Female Teachers....$402.38	
2. Male Teachers....2nd Class.... 349.23	Female Teachers.... 294.50	
3. Male Teachers....3rd Class.... 270.62	Female Teachers.... 228.99	

The University of New Brunswick had 250 students in its 1910-11 Session and received during 1911 a small increase in the Provincial Government grant; Mount Allison University of Sackville had 411 students in 1910-11 and replaced the veteran Dr. David Allison upon his retirement from the Presidency by appointing the Rev. Dr. B. C. Borden who had for 26 years been Principal of the affiliated Ladies College. Other public incidents of the year in New Brunswick included the Report of the Commissioner of Agriculture for 1910 which showed 43 cheese factories in operation and a production of $148,215 with 38 creameries and a butter product of $197,524; the Federal statistics of Live Stock in the Province which showed 584,300 horses, cattle, sheep and swine as compared with 646,164 in 1908; the Report of the Commissioners of the New Brunswick Coal and Railway Co. for Oct. 31,

1910 (P. S. Archibald and J. R. Stone) which showed, in this Government-owned Line, a revenue of $60,009 and expenses of $76,435; a judgment given by the Public Utilities Commission, on July 31, declaring the general rates of the New Brunswick Telephone Co. in St. John to be neither discriminatory nor excessive except in the matter of extension sets.

The New Brunswick Sons of Temperance on May 25th adopted as the policy of the Order supervised public playgrounds, the establishment of Juvenile Courts, the proper classification and segregation of offenders; the establishment of a farm where drunkards might have a chance to redeem themselves; the more rigid enforcement of laws governing the sale of cigarettes to minors, the thorough inspection of liquor sold under license, and the prohibition of treating; the early closing of saloons and higher penalties for selling to minors, etc. On Nov. 2nd the Province won its appeal to the Imperial Privy Council in the case of Lovitt *vs.* the Crown which involved the right of the Province to collect succession duties on money deposited by a Nova Scotian in a New Brunswick bank. Mr. Hazen conducted the case in London and the Nova Scotia Government lost its contention. A list of new King's Counsel was announced on Oct. 18 including E. T. C. Knowles and J. King Kelley of St. John, O. S. Crocket, M.P., and A. R. Slipp, M.L.A., of Fredericton, R. W. Hewson, Moncton, and T. J. Carter, Andover. Toward the close of the year Dr. F. T. Dunlop was appointed Provincial Bacteriologist.

General Conditions and Public Affairs in Prince Edward Island

This Canadian garden of productiveness and scenic beauty had to face a new Census reduction of population in 1911. The figures of population at the various periods since Confederation were as follows: 1871, 94,021; 1881, 108,891; 1891, 109,078; 1901, 103,259; 1911, 73,722. It had lost since 1881 the natural increase of a hardy and vigorous stock as well as the actual reduction in numbers. The emigrants were mostly young people supposed to cost $1,000 to rear and educate and, in the main, they went to the United States. Yet the people were not and are not poor; they were and are industrious and careful and in 1911 had about eight millions deposited in the Banks; there was little actual poverty and the rural districts were not depleted unduly as in some other Provinces.

There were various evidences of development in 1911. The black fox ranching idea took root during the year and the breeding of these valuable animals, worth from $800 to $2,000, became an important industry with perhaps 700 foxes established on 100 ranches and with many individuals making large sums out of the business. The Hon. John Richards, Commissioner of Agriculture, who was in England at the Coronation, gave a London journal (July 22) some general particulars of the Island: "It is

mainly an agricultural country, although having very valuable fisheries. Its name, the Garden Province, has been earned both by its fertility and also because the undulating surface of the country is divided into small well-cultivated farms. There is no free land for settlers to homestead as in the Western Provinces of Canada but farms ranging from 10 to 200 acres in extent, with comfortable farm-houses, can be purchased at from $30 to $40 an acre." In this connection Mr. Richards emphasized the fact that taxation in the Province was the lowest in the world, amounting to no more than 20 cents on the $100. Thus, a farm valued at $3,000 would be assessed in the sum of $6.00 annually.

There were in the Province on June 30, 1911, 34,000 horses, 112,000 cattle, 108,600 sheep and 46,400 swine and the field-crops of 1911 were valued at $8,847,000 with a total area under crop of 465,000 acres—the chief products being oats $2,267,000, potatoes $1,947,000, and hay $3,086,000. There were no minerals, forests, or pulpwood and few water-powers though beautiful lakes existed; the Railway mileage in 1911 was 269, the Imports were $436,173 and the exports $656,678; the Fisheries realized $1,692,475 in the year ending Mch. 31, 1911. In the Lobster canneries there were about 2,500 employees and three or four thousand fishermen independently working their way in small boats through the channel and gulf.

Politically the Island in 1911 wanted many things. As S. T. Wood put it in *The Globe* of Mch. 4th: "It wants factories in proportion to the burden of the tariff, better vessels and connections, especially during the winter, lower freight rates, relief from short haul overcharges to local markets, relief from the possible reduction of Federal representation, abolition of telegraph monopoly and all its results, and last, but by no means least, a tunnel to the mainland." These things were not easy to get and the difficulty had made and kept political conditions in a precarious state for some time. The Liberals under various leaders had been in power for twenty years—Mr. F. L. Haszard being Premier since Feb. 1, 1908—but the Government's majority was reduced to one or two during 1910. On Jan. 18, following, Wm. Laird (Lib.) resigned his seat and the return of a Conservative would have left the parties 15 to 15. George W. McPhee was the Liberal candidate and W. J. Buntain the Conservative, and a vigorous fight was put up on both sides with the injury which Reciprocity might do the Fisheries as an issue raised by the Opposition. Mr. McPhee won on Feb. 8 by a majority of 33.

A little later Mr. Haszard accepted a place on the Supreme Court bench and was succeeded, on May 16, by Herbert James Palmer, K.C., a member of the House since 1900. He became President of the Council and Attorney-General with Hon. John Richards and Hon. J. H. Cummiskey remaining in charge of Agriculture and Public Works, respectively. Messrs. G. E.

Hughes, B. Gallant, J. D. McInnis, L. McDonald, John MacMillan and C. W. Crosby were Ministers without Portfolio. The 36th Legislature was opened in its 3rd Session by His Honour Benjamin Rogers, on Mch. 7th, with a Speech from the Throne which expressed regret at the King's death and loyalty to his successor; referred with confidence to the sense of justice which pervaded the members at Ottawa and which, it was believed, would yet restore to the Maritime Provinces their original representation in Parliament; noted an increasing interest in all phases of Agricultural development and the Government's efforts at encouragement; mentioned the success attending the Seed Fairs and Field competitions, the steady increase in the Dairy industry and the satisfactory prices for Live-stock; referred to the recent establishment of a Dominion Experimental Farm in the Province and the Provincial Government's grant of 75 scholarships at the College of Agriculture, Truro, N.S., in order to aid farmers and farmers' sons to take the course; stated a marked increase in Farmers' Institutes and a successful exhibit by Island farmers at Exhibitions in St. John, Halifax, and Amherst; praised the work of the Immigration Agent in England (Rev. J. A. Winfield) and stated that a number of desirable farmers had come out and that more were coming.

The Address was moved by G. W. McPhee and Dr. James Warburton and, after some debate, was passed on Mch. 10 without division. On Mch. 18, R. N. Cox and John McLean moved a long Resolution regarding the Lobster industry which concluded with a request that the Dominion Order-in-Council (1910) relating to lobster traps should be amended so as not to apply to the current year's operations and that more suitable regulations should be considered. This was carried unanimously. The closeness of the Government's vote was shown in an Opposition motion (Mch. 21) requesting the Governor-General-in-Council to fill the vacancy on the Bench (afterwards accepted by Mr. Premier Haszard) without further delay—the Government amendment suggesting "with all convenient dispatch" and an amendment to this proposing the elimination of the word "convenient." The latter was voted upon 14 to 14 and then negatived by the Speaker's casting vote. A motion on Mch. 31, presented by J. A. Mathieson, the Conservative leader, asked that the Island be placed on an equality with other Provinces through the Dominion Government purchasing the land for its Experimental Farm and was rejected by 14 to 13.

The Budget was presented on Apl. 1st by Mr. Premier Haszard who stated a deficit of $14,150 during the past year and estimated for 1911 Receipts of $381,431 and Expenditures of $379,766 with $33,100 also expended on capital account. The chief item of revenue was the Dominion Subsidy of $272,181; the chief item of expenditure was $127,980 on Education. The Opposition

Leader followed in a long review of the political situation and conditions and the debate continued some days. On Apl. 4 A. P. Prowse and A. J. MacDonald (Conservatives) moved the following Resolution: "That this House affirms its absolute right to give or withhold supplies for the public service and that expenditures made without such authority are unconstitutional and contrary to the rights of the people as secured under Responsible Government; that this House views with alarm the continually recurring deficits and condemns the avowed policy of the Government to issue further Debentures to meet the requirements of the Public Service." It was rejected on the 7th by 14 votes to 12. Two days later A. E. Arsenault and J. A. McNeil moved another Opposition Resolution declaring that the average salaries of male teachers and of higher-class female teachers had decreased in 20 years, the enrollment of pupils been reduced by 4,598, and the cost of Education increased by $17,000; that a re-organization of the Public School system was urgently required; and that the following reforms were necessary:

(1) That the cost per capita of educating the pupils in all the schools should be equalized as nearly as justice will permit; (2) that the course of studies be broadened and vitalized by substituting nature study for non-practical subjects; (3) that the study of Natural Science should extend through every class in each common school and should merge into the special study of Agriculture in the highest school of the system; (4) that Prince of Wales College should provide a thorough Normal training for teachers and for applicants for teachers' licenses, and should also provide an Agricultural course adequate to the requirements of this Province; (5) that an Experimental Live-Stock Farm is a necessary adjunct to the Agricultural course to be furnished by the Province; (6) that in establishing such an Agricultural Course the work of the College should be co-ordinated with the Experimental Farm system for illustrative purposes.

It was rejected by 14 to 12. Another motion by Mr. McKinnon and J. A. McNeil urging the provision of a secret ballot, instead of the old-time Island mode of open voting, was defeated by 14 to 13. On Apl. 24 a loyal Address to the King was passed and a Conservative motion (J. E. Wyatt and M. McKinnon) declaring that no payments should be made of public moneys without an appropriation or in excess of one—except for purposes of ordinary public service or in cases of urgency under a report from the Auditor—was voted down by 14 to 12. A long Resolution declaring that the representation of the Province at Ottawa when it entered Confederation was put at "an irreducible minimum" and was so accepted by the public men of that day; urging that conditions in all three Maritime Provinces made an extension of boundaries and, consequently of population, impossible; requesting an amendment to the B. N. A. Act restoring to the three Provinces their original representation; was passed unanimously. A Recoprocity Resolution moved by R. N. Cox and C. W. Crosby

was discussed with an Opposition amendment proposed by J. A. McLean and H. D. Dobie and the former carried by 14 to 13. The House was prorogued on Apl. 26th after passing a number of minor measures.

Meanwhile Mr. Haszard had on Apl. 11th been asked by a Temperance delegation to amend the Prohibition Act so as to make it unlawful for any man to keep liquor in his possession unless for medicinal, sacramental or mechanical purposes; to give the authorities the right to search residences of private citizens suspected of having such liquors, proof of legal possession to fall on the possessor of the liquor; to take the dispensing of liquor out of the hands of druggists and vendors and to place it in the hands of Commissioners appointed by the Government. The Premier declared the proposals too drastic and refused to pass such legislation. Shortly afterwards Mr. Palmer assumed office and the issue of writs in June for the vacancy caused by Mr. Haszard's retirement and his own accession to office were made returnable on Nov. 15—a five months' interval. For this the Opposition strongly condemned both the Lieut.-Governor and the Premier. In Fort Augustus Mr. Palmer was opposed by Dr. G. F. Dewar; in Belfast the candidates were F. J. Nash (Lib.) of *The Patriot* and Professor Alex. MacPhail of Kingston who had a farm on the Island. The result of a strenuous struggle was the defeat of the Premier and Mr. Nash by large majorities—Dr. Dewar having 329 and Mr. MacPhail 240. This result gave Mr. Mathieson a majority of one in a House made up of 14 Liberals, 15 Conservatives and 1 Ind. Conservative. Without calling the Legislature, however, Mr. Palmer resigned and on Dec. 5th the new Conservative Government was formed as follows:

Premier and Attorney-General	Hon. John A. Mathieson, K.C.
Commissioner of Public Works	Hon. James A. MacNeil.
Provincial Secretary-Treasurer and Commissioner of Agriculture	Hon. Murdoch McKinnon.
Member without Portfolio	Hon. W. S. Stewart, K.C.
Member without Portfolio	Hon. Murdoch Kennedy.
Member without Portfolio	Hon. John A. Macdonald.
Member without Portfolio	Hon. John McLean.
Member without Portfolio	Hon. Charles Dalton.
Member without Portfolio	Hon. A. E. Arsenault.

It was decided to hold the general elections on Jan. 3rd, 1912. On Dec. 12 Mr. John Richards was elected Leader of the Liberals and by the end of the year it was reasonably clear that Mr. Mathieson would be firmly seated in the saddle. The Conservative Government proposed a car ferry system across the channel in place of the expensive Tunnel project and the Charlottetown *Guardian* (Lib.) supported the proposal while, on Dec. 23rd, the following despatch was received from the Dominion Premier by A. A. McLean, M.P.: "In reply to representations of Nicholson and yourself during the past two months, I beg to inform you that the Government has decided to undertake the establishment of a

Government ferry-service between the Island and the Mainland. This will involve the changing from the narrow to the standard guage of the Island railway. This improved service will do away with three short hauls and it is hoped will result in a great advantage to the people. (Sgd.) R. L. Borden." On Nomination Day Mr. Mathieson and 5 other Conservatives were elected by acclamation. It may be added that on Jan. 3rd, 1912, the Government was returned by 28 to 2.

An incident of the year was the establishment on Jan. 3rd of Telephone communication between the Province and the mainland—including Halifax and other points in Nova Scotia. The Report of Dr. Alex. Anderson, Chief Superintendent of Education, published in 1911, showed 479 school districts, 478 schools and 595 departments, 4 vacant schools and 591 teachers of whom 381 were females, 17,932 pupils of whom 8,359 were girls, and 9,573 boys. The average attendance was 11,632 and the proportion of the population at school was one in five. The Government expenditure in 1910 was $127,647 and that of School Boards $53,924; the average salaries for women ran in the three Counties from $146 (3rd class certificate) to $289 (1st class) and for men from $201 to $487, respectively. Dr. Anderson considered the constant change of teachers as one of the great difficulties and the small salaries as the chief reason of the change. He urged that teaching licenses should not be given to girls of 16, and wanted compulsory attendance. "An education tax must be imposed, collected and disbursed by the Government."

VIII.—THE THREE WESTERN PROVINCES.

Progress and General Conditions in Manitoba

Manitoba continued during 1911 to reflect and share in the optimism and growth of the Canadian West. Its population had increased from 255,211 in 1901 to 455,614 in 1911 or 78 per cent.; Winnipeg showed an Assessment of $172,677,250 in 1911 compared with $41,000,000 in 1904, Bank clearings of $1,170,605,864 or double the returns of 1906, Building permits of $17,550,000 or nearly three times those of 1907; the value of the Provincial field crops in 1911 according to Dominion statistics were $73,136,000, the product 140,000,000 bushels and the acreage cultivated 4,932,000; for the year ending Mch. 31 the Railway mileage of the Province was 3,466 or an increase of 245 miles in the year; the trade of the Province during the same fiscal year included $34,855,002 of Imports and $3,134,564 of Exports—the bulk of its grain trade going by the Great Lakes within Canadian territory and not being recorded as Provincial exports; the homesteads taken up in 1910-11 were 3,082 as compared with 2,529 in 1909-10; Winnipeg maintained its position during 1911 as the grain centre of the continent, its wheat receipts* totalling 101,326,250 bushels as compared with 96,647,850 bushels for Minneapolis and 42,629,751 bushels for Chicago; with 26,128,800 bushels of oats as against 11,400,820 at Minneapolis. Industrially, also, Winnipeg continued to forge ahead with a manufactured output of $8,606,248 in 1900, $18,983,248 in 1905 and a locally-estimated $36,000,000 in 1910—employing 15,500 hands with $30,000,000 invested; during 1911, 71 Provincial charters were issued for purely industrial purposes involving an authorized capital of $7,695,000 while 19 firms increased their capital by $41,000,000 during the year. Of new incorporations in the year the authorized capital was $92,491,000 and the chartered Bank branches in the Province numbered 190 in 1911 as compared with 184 in 1910 and 54 ten years before.

Agricultural development was marked by the expressed ambition of public bodies to get a million people into the Province; the fact of possessing 36,754,000 acres of land still awaiting cultivation and capable of alone maintaining a million population; the acquisition at the end of the year of great new territories through a settlement of the Boundary question. The December reports of the Provincial Government showed an average wheat

* NOTE.—Figures compiled by C. N. Bell, Secretary Winnipeg Board of Trade.

yield of 18·29 bushels as against 13·47 in 1910, oats 45·3 bushels against 28·7 and barley 31·5 bushels against 20·75. In poultry the farmers sold 941,776 turkeys, geese and chickens, during the year; they prepared in the autumn 2,175,626 acres for the 1912 crop; they erected farm buildings valued at $3,273,487 and produced $1,786,073 worth of Dairy products. According to Dominion statistics there were in the Province on June 30, 251,800 horses, 454,500 cattle, 29,600 sheep and 135,800 swine —a total of 871,700 animals as compared with 984,214 in 1908. As to wheat the conditions prevalent elsewhere in the West applied also to Manitoba and all estimates appear to have been greatly under the mark. The *Free Press* original estimate was 28,660,-616 bushels, and even the returns inspected, etc., up to Sept. 18 showed only 40,988,492 bushels. Yet the statistics of this record crop in Manitoba's history were as follows—with Dominion and Provincial figures defined:

	Area in crop. Acres.	Area in crop. (Prov'l figures.)	Yield per acre. Bush.	Total Yield. Bush.	Total Yield (Prov'l figures.)	Total Value.
Fall Wheat....	2,961	7,205	28·56	85,000	216,150	$57,000
Spring Wheat..	2,976,773	3,331,867	20·22	60,190,000	60,842,636	40,087,000
Oats	1,260,736	1,628,562	45·92	57,893,000	73,786,683	18,468,000
Barley	433,067	759,977	33·36	14,447,000	23,999,239	6,964,000
Flax	77,789	85,836	14·44	1,123,000	1,205,727	1,977,000
Potatoes	24,713	44,478	207·25	5,122,000	8,317,241	2,151,000
Turnips, roots, etc.	4,581	13,448	325·46 Tons.	1,579,000 Tons.	3,684,898 Tons.	600,000
Hay & Clover .	142,959	140,288	1·66	237,000	249,892	2,264,000

The Grain Growers Association maintained a strong position during the year, took some part in Provincial politics and shared in the Liberal fight for Reciprocity though not officially. At the annual meeting held in Brandon on Jan. 24-27 the members listened to an address from F. F. Coulter of Portland, Maine, denouncing Government methods in Canada: "I believe your Ministers want to do the right thing for you but your Premier and Ministers are administering the Government in a manner which would wreck the kingdom of hell itself. If the latter place were under a like system of administration it would soon be in the hands of the receiver!" He urged the initiative, referendum and recall as the cure for all political ills. E. A. Partridge of Sintaluta and F. W. Green of Moose Jaw supported this policy and addresses were delivered by many Provincial and other Western agricultural leaders. The character of the speeches is indicated by John Kennedy of Rosser (Vice-President) stating that of the millions of dollars throughout the world seeking investment and unable to find it there was not one dollar but had been produced by the labour of hands; and that of E. J. Fream of Calgary declaring that "on account of unfair economic conditions at least 20 per cent. of the legitimate returns of farm labour goes eventually into the pockets of the special privileged classes."

Amongst the Resolutions passed were the following: (1) Instructing the Directors to immediately take up the question of marketing Live-stock with the officers of the Grain Growers' Grain Co. and to discuss with them the feasibility of forming a Cattle Company on the same basis as the Grain Growers' Grain Co.; (2) urging a reduction of the Government elevator commission on handling oats from 1 cent to one-half a cent; (3) declaring that the freight and passenger rates on the C.P.R. should be based upon an actual physical valuation of the Railway; (4) urging members in all parties to use their influence in Conventions so as to compel candidates to subscribe to a pledge prepared by the Grain Growers Association; approving the Reciprocity and other Resolutions placed before the Dominion Government on Dec. 16, 1910; (5) endorsing the attitude taken by the Council of Agriculture on reciprocal trade with the United States and an increase of the preference to Great Britain "until we have free trade between Canada and Great Britain"; (6) approving the principle of direct legislation and hoping to see the initiative, referendum, and recall in operation as speedily as possible and instructing the Executive to join with the representatives of the Direct Legislation League in asking the Government to enact this policy during the coming Session; (7) favouring an educational campaign to be conducted by the Canadian Council of Agriculture among the farmers of Canada in support of the principles laid down before the Dominion Government in December, 1910; (8) declaring the Dominion postal rates on parcels to be exorbitant and instructing the Executive of the Association to apply to the Railway Commission for a reduction on all western freight rates and to ask that a uniform distance be instituted for carrying grain for one cent per hundred; (9) criticizing the C.N.R. for an alleged policy of rapid construction rather than of proper equipment; (10) approving a Manitoba policy of putting the abolition of the bar question to a referendum of the people. Free Trade was the dominant note of this Convention.

As to this and the Elevator question there was much Conservative criticism during the year of an alleged party attitude by the Association and, in the latter matter, the Winnipeg *Telegram* of June 22nd said: "As they could not quarrel with the Government on the question of principle they took issue with it on a question of detail and they freely asserted that the Manitoba Government was acting in bad faith in the declaration of policy it had made." The Grain Growers had failed and the farmers in the main had supported the Government in the Provincial elections but, it was claimed, the feeling of opposition remained. At this Convention one of the addresses was by D. W. McCuaig, one-time President of the Association, and now Chairman of the Government's Elevator Commission. He dealt at length with the policy and operation of this body which, at the close of 1910,

operated 107 elevators; stated that ten new elevators had been built for special binning purposes, that most of the Milling Companies had refused to sell their elevators to the Government and that when expropriation was resorted to much and effective hostility was aroused; described various difficulties and received a vote of confidence in the work of the Commission. "One of the difficulties was that at a number of points where we had purchased and attempted to run elevators, the Milling companies paid the track price for street wheat, and in a few instances 1 cent a bushel over track price, and very many of the farmers jumped at these prices. Another discouragement was the fact that many farmers, even those who had petitioned for a Government elevator, loaded over platforms instead of using our elevators." R. C. Henders of Culross was elected President and J. S. Wood of Oakville Vice-President.

This question came up again when the Commissioners' Report for 1910 was submitted to the Legislature in February and showed an expenditure of $929,000 on Elevators and receipts to the end of the year which did not pay for operation and maintenance. An appropriation of $70,000 was made and on Nov. 7th following Mr. McCuaig expressed the belief that the 1911 operation would be a financial success. The demand for accommodation had been great, four elevators had been rebuilt and others fitted with modern appliances while many petitions for new ones had to be refused for lack of funds. At the close of the year there was a controversy between the Commission and dealers in Winnipeg, handling coarse grains, in respect to a discrepancy of weights between country elevators and city receipts.

The Manitoba Agricultural College did good work during the year. The Government had under way the construction of a $2,000,000 building for the students who, in 1910, numbered 236 or an increase of 31 over 1909. A special train was sent out by the College on May 30 for a month's tour of the Province and consisting of a palace car and field-husbandry car, a domestic science car, a horticultural car, a diner and sleeper, and an engine —each car specially fitted up with a space at one end cleared of seats to allow the arrangement of tables and materials necessary in the Demonstration work while on the sides of each car were suitable displays of the subjects taken up in the lecture. A large staff of lecturers and demonstrators accompanied the car and almost every part of the Province was visited.

In other elements of progress, it may be added, the Province possessed, though it did not control, school lands totalling 723,640 acres—an estimated unsurveyed area of 730,705 acres and, in the new region acquired at the close of the year, an estimated total of 6,110,293 acres; the investments of Life, Fire and other Insurance Companies in Manitoba were placed at $34,500,000; the Premium income of Life Companies in 1910 was $2,127,700 and

of Fire Companies (joint stock and mutual) $398,621 with a total at Risk of $59,000,000; the water-power of the Nelson River was estimated by the Conservation Commission at 6,780,000 horse-power—to come into the Province with the new territory—and that of the Saskatchewan at 80,000 horse-power. Immigration continued during the year and the destination of those arriving at Ocean ports or from the United States for Manitoba were stated at 34,653 (12 months ending Mch. 31, 1911).

An organization was formed at Dauphin on Oct. 19th, composed of representatives from 30 surrounding municipalities, and calling itself the North-West Manitoba Immigration Association. J. McNeil of Dauphin was elected President and George Bain of Gladstone Vice-President. On Dec. 21st a large deputation of the Boards of Trade of the Province waited upon the Hon. George Lawrence, Minister of Agriculture, and urged a more active immigration policy while claiming that Manitoba did not get its share of Western immigrants. Brandon, Crystal City, Dauphin, Gladstone, Killarney, Minnedosa, Portage la Prairie, Selkirk, St. Boniface, Virden, Shoal Lake, Stonewall, Winnipeg, Pilot Mound, and a number of Provincial organizations were represented. An elaborate Petition was read, various speeches made and then Mr. Lawrence replied. "The Railway companies carry the people further West to settle upon their own lands. The immigration officials work to settle up Alberta and Saskatchewan. It is a wonder that the Province has got on as well as it has. I do not think it establishes anything to show a decrease in the population of certain towns, as the railways have opened up more new towns and people naturally live along the line of the nearest Railway instead of in the old-settled towns." A new immigration policy was promised for the new year.

Government and Legislation of the Year in Manitoba

On Aug. 1st Sir D. H. McMillan, Lieut.-Governor of the Province since 1900, retired at the conclusion of his second term and was succeeded by Douglas Colin Cameron, a miller and financier of Winnipeg and Kenora. Sir Daniel and Lady McMillan were given a most representative banquet on Sept. 28 with Sir William Whyte as Chairman and with an Address read by Mr. A. M. Nanton. A re-arrangement of Portfolios took place in the Government on Oct. 11 when the Hon. R. P. Roblin became Provincial Secretary as well as Premier; Hon. Colin H. Campbell retired from the Attorney-Generalship and became Minister of Public Works in place of Mr. Rogers who, after long and active service in the Government and Provincial party, had joined the new Administration at Ottawa; Hon. James H. Howden became Attorney-General and the Hon. George Lawrence, who had been in the Legislature since 1899, became Minister of Agriculture and Immigration. The Hon. G. R. Coldwell, Minister of Education, and Hon. Hugh Arm-

strong, Provincial Treasurer, retained their old positions. Amongst those mentioned as of Cabinet rank, and from whom Mr. Lawrence was selected, were James Argue, Harvey Simpson, George Steel, William Ferguson, T. W. Taylor, Robert F. Lyons, Joseph Bernier and A. H. Carroll. At the same time George Patterson, K.C., resigned the post of Deputy Attorney-General to become Master in Chambers and was replaced by R. B. Graham, LL.B., and, a little later, Arthur L. Bonnycastle, ex-M.L.A., was appointed Deputy Provincial Secretary.

There were only three Bye-elections in 1911. Russell was vacated by A. L. Bonnycastle refusing to take the seat on a recount and on Feb. 11, F. Y. Newton (Cons.) was elected over William Valens (Lib.) by 916 to 651 votes. In Killarney the new Minister was elected by acclamation on Oct. 23rd and in Manitou, vacated by Hon. Mr. Rogers, James Morrow (Cons.) was, on Oct. 31, elected by acclamation. The strength of the Roblin Government was, at the close of the year, 28 to 13 Liberals. The Prohibition question was discussed in 1911 as the result of an immense petition asking for the abolition of the bar, and said to have been signed by 15,000 electors, which was presented to the Government on Feb. 16. The Rev. Principal Patrick, Rev. Dr. Eber Crummy, and W. W. Buchanan were the spokesmen. Dr. Patrick urged the enactment of a measure at the present Session which would leave to the judgment of the people the question of whether the bar should be abolished or not. Dr. Crummy recognized features of excellence in the Provincial local option law, but pointed out that technical difficulties existed which defeated the purpose of the Act. There were difficulties in the way of carrying Local Option in large cities but the abolition of the bar would bestow great benefits upon the whole community without causing great inconvenience to any portion of it. Mr. Premier Roblin pointed out that the proposal, while not a new one, had never been adopted by any Province in Canada. But if public opinion justified it he hoped Manitoba would be the first Province to adopt the principle. "The changes asked for would have the sincere and earnest consideration of the Government. It was a complicated question and would require much study, for there was no evidence that public opinion was preponderatingly in favour of either side of the issue." He contended that the Local Option law gave little ground for complaint. "Personally," he added, "I am in full sympathy with the movement looking toward the abolition of the bar."

The first Session of the 13th Legislature of Manitoba was opened by Sir D. H. McMillan on Feb. 9th with a Speech from the Throne in which reference was first made to the King's death, and to the new Sovereign, and the year described as one of continued prosperity. It was stated that the Government had, in the recess, held unsuccessful conferences with the Federal

authorities in the vexed Boundary question; that a number of Elevators had been acquired for the receiving and storage of grain and a Commission appointed to control the work; that the service of the Manitoba Government Telephones continued to be so satisfactory that the Government had been unable to keep pace with the popular demand but would continue a policy of vigorous extension; that the growth of public business made it necessary to provide for new Legislative and Departmental buildings and that negotiations were under way for the Fort Osborne lands; that a Good Roads Commissioner had been appointed to look after what was described as one of the best agencies in opening up the Province; that a Provincial Commission on Technical and Industrial Education had been appointed to try and provide training for those at present unable to take advantage of secondary and higher education.

The Address was moved by J. G. Harvey, K.C., and J. C. W. Reid. The former in his speech suggested that Telephones should have been taken over, in all the Provinces, by the Dominion Post Office and Elevators by the Department of Trade and Commerce. Mr. Reid stated that under Provincial administration the Telephone system had grown from 15,000 subscribers in 1908 to 34,000 in 1911 with 3,300 additional farmers supplied in the past year. After short speeches by the Opposition leader (T. C. Norris) and the Premier—who stated that when he first came to the Province and farmed, 34 years before, he had sold No. 1 hard wheat at 50 cents a bushel—the debate was closed on Feb. 21st without division. One of its notable speeches was that of S. Hart Green (Lib.) of Winnipeg which dealt with the needs of Labour and the principles of direct legislation. He urged the policy of allowing the people to initiate legislation by petition to the Legislature which, if refused, would go to a referendum and, if then approved by a majority of the public vote, would become law after receiving the Lieut.-Governor's assent. The Premier claimed that this would make the Legislature a mere machine and government a farce. Meanwhile the Reciprocity question—elsewhere dealt with—had been discussed at length on a motion of approval by T. C. Norris and T. H. Johnson and an amendment denouncing the policy moved by Hon. Messrs. Rogers and Roblin. The amendment carried by 26 to 12.

The Budget speech was delivered by the Provincial Treasurer (Hon. Hugh Armstrong) on Feb. 28th. He was able to show a large surplus, a Provincial Loan at rates indicating very high credit, a general condition of prosperity. He stated that the 1910 crops and produce had realized $72,261,863 for the farmers and spoke of industrial advancement and Bank clearings. The Revenue for 1910 had been estimated at $3,426,000; the actual returns were $3,847,321. The total Expenditure for the year

ending Dec. 31 was $3,543,044 leaving a Cash surplus of $304,-277. There had also been expended, out of revenue, a total of $308,103 which, he claimed, really belonged to capital account and made the actual surplus of the year $612,380. The yearly Manitoba and North-Western lands account showed a total paid on this debenture Debt of $2,280,000, against which the Government had received $1,736,810 on account of land sales, with deferred payments of $715,645, and lands unsold totalling 62,967 acres. During the year an issue of £1,000,000 stock had been sold at 102—said by Mr. Armstrong to be the highest price ever realized by Manitoba or any Province of Canada.

The Telephone matter was dealt with and the estimated Revenue for 1911 was stated at $4,140,247 including $838,247 from Dominion Subsidy, $190,000 from School lands, $1,300,000 from Telephone service, $140,000 from Grain Elevators, $129,000 from the Corporation tax and $140,000 from Railway taxation, $171,500 from Public institutions, $550,000 from Provincial lands, $105,000 from Liquor licenses, $70,000 from Succession duties, $230,000 from Land Titles Offices; Miscellaneous license fees, $199,000. The Expenditures were estimated at $3,532,944 with $482,000 of capital charges and included $543,480 for Education, $278,219 for Agriculture and Immigration, $1,000,000 for telephones and telegraphs, $1,062,590 for Public Works and the balance allotted to various Departments. As stated later on* the actual Revenue of 1911 was $4,454,180 or $300,000 more than the estimate; the actual Expenditure was $4,002,826 which, with certain deductions on capital account, left a surplus of $492,426; the total Surpluses since 1900 had been $4,111,912. Of the important matters provided for during the year and specified in succeeding Supplementaries were $800,000 for Agriculture College buildings, $300,000 for the Hospital for Insane at Brandon, and $500,000 toward the new Parliament Buildings at Winnipeg. A sum of $20,500 was also granted to increase the indemnity of members of the Legislature by $500. Some official salary increases were also added.

The Opposition view was expressed by its leader, T. C. Norris, on Mch. 1st. He claimed that the Government was replacing the land Assets of the Province by unreliable securities and had saved itself from showing a deficit in 1910 by putting $648,000 of land receipts into revenue and charging up $308,000 of maintenance charges to capital expenditures. There was, he alleged, really a deficit of $300,000. As to the rest "the present Government has added to the Debt which now amounts to about $13,500,000 at the rate of about a million a year for the last ten years and at the same time the only Asset of the Province is disappearing." The Opposition laid stress, also, on the cost and alleged unpopularity

* NOTE.—Budget speech of 1912.

of the Government elevators and C. D. McPherson (Mch. 2) said: "It is claimed that there has been spent a million dollars on these elevators. It only requires a superficial inspection and report to show that they are not worth nearly $1,000,000. If the Government to-day had to go out and realize on them it would have difficulty in getting even $300,000 for the money that it has spent." It was freely claimed by W. Molloy and other Liberals that this system would some day defeat the Government. The Government admitted a loss on the first year's operations of $26,280 but considered the system as still on trial and, in any case, as a product of wide and insistent public desire amongst the farmers. It may be added that the Public Debt of Manitoba at the close of 1910 was $4,866,666 of Government stock issued for Telephone, Elevator and Drainage purposes and $7,896,259 of Provincial debentures, or a total of $12,762,925. There were small indirect liabilities of $610,826, guaranteed drainage and municipal Debentures of $2,463,853 and the chief indirect liability was in Canadian Northern guarantees of $24,059,446.

The perennial Eli Sand charges were brought up in the House on Mch. 7 by Mr. Norris but no attention was paid to them by the Premier and the matter dropped. G. J. H. Malcolm (Lib.) at the same time denounced the Government Elevator policy for an alleged buying of too many elevators, paying too much for them and having too many of them at specific points. George Steel (Cons.) referred to the aggresive desire of the Grain Growers Associations for Government ownership in this respect and their originally extreme optimism in the matter. He reviewed their statements before Government operation commenced. "The Milling companies were going to be the first to sell out. Have they? Have elevators been built as cheaply as they said they could? Have they been bought as cheaply? Has all the grain gone to the Government elevators? I think as a guide, philosopher and friend of this Government Mr. Crerar and his friends were failures and I think that this Government would be well advised to think twice before it takes much more advice from an organization that apparently knows little of what they are talking about."

The Hon. R. Rogers, Minister of Public Works, stated explicitly that the average price paid for the elevators was 17 cents per bushel of storage capacity. The Government, he declared, possessed evidence of some of the strongest companies as to the cost of building elevators and it went to show that it was impossible, at the present time, to build for less than 30 to 32 cents per bushel of storage capacity. "I might say that this applies also to some of the elevators the Government built during the past year; therefore, we purchased the elevators at about one-half what it would have cost to build them." Mr. Premier Roblin pointed out that the Elevators' combine had been destroyed and competition given to the farmers in this matter. "We have pro-

vided every facility we were asked for by which the farmer can sell his grain through his own elevator and agency to the markets of the world. If it has not worked out satisfactorily certainly the Government is not to blame. All we ask, and we ask it confidently, is that the farmers of the country will patronize their own elevators."

A Separate School debate took place on Mch. 14th; the Manitoba Insurance Bill increasing certain corporation taxes and introduced by Hon. Mr. Armstrong was held over for another year because of a petition presented by the Associations concerned; a private Winnipeg Charter Bill giving the City power to do its own commercial lighting was not approved by the Government and was rejected on its 2nd reading by a vote of 21 to 11; the Resolution presented on Mch. 9th by C. D. McPherson and G. J. H. Malcolm (Liberals) urging that " the principle of direct legislation by means of the Initiative and Referendum be adopted and applied in the conduct of Government for the Province and that legislation be enacted to give effect to the aforesaid principle " was rejected by 22 to 13 votes—the latter all Liberals; the Library Committee through J. P. Robertson, Librarian, reported (Mch. 14) in favour of arranging for the publication of a Provincial *Hansard;* a Liberal minority from the Committee on Public Accounts reported on Mch. 22nd in a vigorous attack upon the Government which was voted down by 25 to 12.

It was alleged by these Opposition critics that the provisions of the Treasury Act had been " disregarded in such a way that the duties of Provincial Auditor might just as well be attended to by an office boy "; it was stated that the Provincial Auditor was no longer allowed to audit the Provincial revenues and that the legal limit of $5,000 for contingency account was often exceeded; it was claimed that the expenditure on Road improvements was reckless and that about $150,000 of public funds were paid out for work on public roads just before the last Elections. A Resolution was unanimously passed on the Boundary question and another, on the motion of Mr. Premier Roblin and V. Winkler (Lib.), declared on Mch. 23 that the House was unanimously in favour of new Parliament Buildings and that the best site was that commonly known as the Fort Osborne block. The Resolution described the terms offered by the Minister of Militia ($1,000,000 and occupation in 1915) as not of a nature which the Government could accept; suggested the re-opening of negotiations, and appointed for this purpose a Committee composed of the Minister of Public Works, R. F. Lyons, W. Ferguson, T. C. Norris and V. Winkler—the last two being Liberals.

Of the Session's legislation Hon. R. Rogers' measure for incorporating and establishing a Public Live-stock Markets Board was important. It followed lines laid down by the Commission of 1910—R. A. C. Manning, A. M. Campbell and Stephen Ben-

son—and authorized a Company with $1,000,000 capital to establish a Union Stock Yards at St. Boniface under Government control of rates, to be organized by the Railways interested, and to include public markets for live-stock, an abattoir and the receiving and shipping of live stock. The Public Health Act provided for a re-organization of the Provincial Board of Health and the appointment of Health Officers in the municipalities and other conditions for dealing with sanitation questions together with elaborate regulations affecting the general health of the people. The Children's Protection Act was amended so as to make it unlawful to employ habitually any child under the age of 12 years between the hours of 9 o'clock in the evening and 6 o'clock in the morning or to employ any child under the age of 16 years in any occupation "likely to be injurious to his life, limbs, health, education or morals"; a clause also compelled newspapers receiving advertisements, dealing with the care of infants under 13 months, to obtain and transmit to the Government certain particulars as to the advertiser.

As a protest, presumably against British Columbia legislation regarding extra-Provincial companies, it was enacted that every such concern "shall produce evidence to show that similar licenses or privileges are granted to Manitoba companies in the Province where the head office of such Company is situated"; another Act elaborated a series of precautionary regulations and amendments as to motor vehicles; Moving Picture exhibitions were regulated and controlled and the films made subject to inspection; various amendments to the Municipal and Assessment Acts were made and a measure dealing with noxious weeds provided for the appointment of municipal inspectors with carefully defined powers; the Education, Succession Duties and Real Property Acts were considerably amended; the Manitoba Radial Railway, running from Winnipeg to Portage la Prairie, Rosser, Stony Mountain, Headingly, etc., was incorporated, the University of Manitoba was authorized to appoint a President, the Manitoba Power Co. and the Manitoba Gas. Co. were duly incorporated. The Legislature was prorogued on Mch. 24th. Of miscellaneous public incidents during 1911 the following is a summary:

Jan. 10.—The Municipal Commissioner (Hon. G. R. Coldwell) reports 141 Municipalities (Dec. 31, 1910) with a population of 391,975—including 47,138 farms with 5,857,221 acres under cultivation, an assessment of real and personal property totalling $299,140,739, taxes of $6,042,099 and a Debenture debt of $24,307,441.

Feb. 25.—Judge Myers, the Commissioner appointed to inquire into the matter, reports that D. A. Ross, M.L.A., and a Winnipeg School trustee profited personally by a real estate transaction in which the School Board was interested; Mr. Ross on Mch. 14 resigns his position.

Mar. 8.—The Government members of the Legislature, and the Conservatives of Winnipeg, present the Premier with a beautiful Cabinet of silver and the Minister of Public Works with a por-

trait of himself. Eulogistic Addresses are presented—one by the members of the House to Mr. Roblin and the other by the City Conservative Associations to Mr. Rogers. The speeches of the two Leaders deal mainly with Reciprocity.

Mar. 9.—The 13 Liberal members of the Legislature are present at a Party banquet in Winnipeg. T. C. Norris, D. W. Bole and E. D. Martin speak—chiefly upon Reciprocity.

June 7.—Although the Selkirk Centennial celebration had apparently fallen through J. A. M. Aikins, K.C., writes the press urging that a monument to Lord Selkirk be erected and unveiled in 1912. On Dec. 19 a meeting is held and a Committee appointed to deal with the matter—the Lieut.-Governor, Sir William Whyte, J. H. Ashdown, Edward Brown, J. A. M. Aikins, Rev. H. J. Gunn, R. R. Sutherland, Archbishop Matheson and Isaac Pitblado, K.C.

June 16.—The Winnipeg *Free Press* says of a matter in which little public interest seemed to be taken that: "It would not be beside the mark to assert that one of the gravest dangers that threatens the agricultural population of Manitoba, to-day, is the invasion of rats. Only two years ago these rodents appeared for the first time in the Province, but steadily northward they have made their way and recently they have been seen even in the outskirts of Winnipeg."

Sept. 26.—The Winnipeg *Telegram* (Cons.) accepts Horace Chevrier's denial in connection with certain charges made during the 1911 Elections and about which Mr. Chevrier had entered suit.

Oct. 4.—Mr. C. C. Chipman, for 20 years Chief Executive of the Hudson's Bay Co. in the West, leaves Winnipeg to reside in London.

Dec. 12.—Hon. Hugh John Macdonald, K.C., is appointed Police Magistrate of Winnipeg and on the 18th is presented by Mr. Premier Roblin and a group of friends with a portrait of himself done in oils.

Dec. 31.—The Direct Legislation League of Manitoba makes great progress and distributes immense quantities of literature during the year. It is said to have the support of a large section of the Liberal party, the Grain Growers Association, the Royal Templars and the Trades and Labour Council; its Hon. President is J. H. Ashdown and President Dr. Hutchinson, while John Kennedy of the Grain Growers is Vice-President and R. L. Richardson has a place on the Executive.

Dec. 31.—Appointments of the year include William H. Bates as Police Magistrate of Brandon, David Marr Walker as Judge of the Juvenile Court, Victor W. Horwood as Provincial Archivist and Charles P. Fuller as a King's Counsel. F. B. Maclennan resigns as a Grain Elevator Commissioner.

The Manitoba Boundary Issue: Telephones and Education

The question of years was again an issue in 1911. On Feb. 2-3 Messrs. R. P. Roblin and Robert Rogers were at Ottawa in one of the periodical conferences which the Boundary question has evolved. It was understood that the Manitoba Ministers practically renewed their demands of the preceding three years that Manitoba, in addition to the proposed extension of its boundaries, should be given an extra Federal cash grant on the same basis as those given to Alberta and Saskatchewan and that they also asked for complete control of the lands and natural resources in any territory which might be added to the Province. Sir Wilfrid adhered to the Government's original policy as embodied in the Resolutions passed by Parliament in 1908 and providing

for the extension of the boundaries of Manitoba, Ontario, and Quebec. Following this discussion a Sub-Committee of Council reported to the Government as a whole on Mch. 16 that Manitoba had no reasonable claims to the proposed financial adjustment, that the boundaries outlined in the Parliamentary Resolution of July 13, 1908, were acceptable to the Government of that Province, and that only terms and conditions remained for adjustment.

> The proposed extension of boundaries would add 106,304,000 acres, approximately, to the existing land area of the Province—making the total land area of the Province approximately 147,152,880 acres. . . . Within the confines of this territory railway construction has already been carried on. Rails have been laid to the Pas, at or near the Saskatchewan River, a distance of 40 miles through the territory. A railway bridge across the Saskatchewan River at this point is now being constructed by the Government of the Dominion, a line of railway therefrom to a port on the shores of Hudson's Bay has been projected and a portion thereof, 100 miles and upwards beyond the Pas, has been definitely located. A branch of the C.N.R. skirts, if it does not actually enter, the territory along its southern confines for a distance of 20 or more miles.

The population of the moment was estimated at 3,731 and the Report went on to recommend that when the Manitoba Legislature should accept this increase of limits and agree to the terms proposed Federal legislation would be enacted accordingly. The terms proffered included an indemnity of $200,000 a year, in lieu of not receiving the public lands, mines, and minerals of the newly-annexed region, until its population reached 100,000; thereafter $250,000 a year until the population was 150,000 and thereafter a permanent sum of $300,000 a year. It was also proposed that the grants, payable under the B. N. A. Act, consequent upon the increased population of Manitoba, be augmented proportionately. Mr. Roblin presented this offer to his Legislature on Mch. 20; it was denounced by the Winnipeg *Telegram* on the following day as insulting; the Government announced its positive refusal and presented a Resolution of which the chief sentences were as follows:

> Whereas at the time of the passage of the British North America Act it was clearly the spirit and intention of the framers thereof that the several Provinces coming under its provisions should be fairly and justly dealt with on the basis of equality in their respective relations with the Parliament and Government of Canada;
>
> And whereas it is a matter of record that, notwithstanding the meaning and intent of the said Act as aforesaid, the Province of Manitoba has not, since its confederation with Canada, received that fair treatment at the hands of the Federal authorities to which it was and is entitled and had reason to expect at the time of becoming a portion of the said Union;
>
> And whereas the Province has endeavoured, but without satisfactory results, by constitutional means, for over 30 years, to procure substantial relief in the premises and obtain an increase of its present circumscribed territorial limits, to the end that it might become, as the pioneer Province of the West, in size and extent, worthy of its position as a Province of the Dominion;

Therefore be it resolved, That this House firmly but most respectfully declines to accept the proposed addition of territory upon the terms offered in the Minute of Council of His Excellency-in-Council as hereinbefore set forth, and reiterates and re-affirms the request of the Province as a constituent portion of the Confederation of Canada for equality of treatment with either the Provinces of Ontario, Quebec, Nova Scotia and New Brunswick or the Provinces of Saskatchewan and Alberta, that is to say:

(*a*) The control of all public lands, mines and minerals in the said proposed added territory, or (*b*) Financial and other considerations of a character similar to those given, or to be given, the said Provinces of Saskatchewan and Alberta. Either of which propositions this Legislature is willing to favourably consider.

Mr. Roblin reviewed the long negotiations over this matter and then said: "I believe that there is not a single individual citizen of Manitoba who does not agree with me that the offer is simply an insult, whether so intended or not, to this Province. We cannot, in justice to ourselves, in justice to posterity, in justice to the Dominion, accept these terms. If we do, gone is the possibility for a greater Manitoba such as we have had hopes and aspirations for; gone is the possibility of establishing and maintaining a Provincial University along such lines of efficiency as the age demands; gone is the possibility of a continuation of present aids to our common schools; gone is the possibility of maintaining institutions that are essential to the age in which we live; gone is the possibility of organizing and equipping that northern territory in a way that will serve properly the people who will make it their home; gone, in a word, is the hope of the Manitoban that our Province should, at least, be equal to the others in the Dominion." The comparison between the financial grants to Manitoba and Saskatchewan were given as follows:

Saskatchewan.		Manitoba.	
Government and Legislation	$180,000	Allowance for Government.	$190,000
Per capita allowance.....	301,294	Per Capita.....	369,300
Debt allowance.....	405,375	In lieu of land.....	100,000
In lieu of lands (maximum)	1,225,000	Maximum under proposed agreement	300,000
Also for 5 years on account of public buildings.....	93,750	Capital account.....	179,900
Total	$2,205,419	Total	$1,139,200

Valentine Winkler (Lib.) seconded the Resolution which passed unanimously. In his speech Mr. Roblin had intimated that his Government was willing to arbitrate the question of the Swamp lands held in trust by the Dominion and a little later it was stated by Hon. F. Oliver (Apl. 3rd) that the Federal Government was now willing to add to the formal arrangement offered a transfer of 8,150,000 acres of Swamp and University lands to the Province. This suggestion was declared by the Winnipeg *Telegram* of Apl. 7th to open the way to a satisfactory settlement. Then the Dominion Elections intervened, the Manitoba Government and Conservative party threw themselves into the fight for Mr. Borden and on Nov. 21st, after conference with the new Premier,

Mr. Roblin was able to make from Ottawa a vital announcement: "Manitoba comes into her own after 40 years of struggle and effort to secure equality in the Confederation of Canada. Her claims are recognized and she steps forward into line with her other sisters in the Dominion. The boundaries remain as fixed by Sir Wilfrid and accepted by Manitoba, but the Subsidy, indemnity for public domain, and other financial matters, are all to be re-adjusted on a basis to give us equality with Saskatchewan and Alberta." A lesser matter was the arrangement for a prompt transfer of the Fort Osborne property to the Provincial Government on satisfactory conditions. Further conferences as to details in the general question followed and, though full particulars were not announced at the close of the year, it was understood that Ontario, as well as Manitoba, obtained a satisfactory extension of territory and a port on Hudson's Bay.

The Telephone question was an important one in 1911. On Dec. 31, 1910, the Commissioners—F. C. Paterson, Chairman, W. H. Hayes, Engineer, and H. J. Horan, Auditor—of the Government system were able to report a successful year, a capitalization of $7,000,000 with poles and material in hand worth $600,000, subscribers numbering 33,446, an increase in rental revenue from $563,125 in 1909 to $751,651 or 33·48 per cent. and in total revenue from $792,632 to $1,038,466. An increase in the number of rural stations in service by 100 per cent. and in Winnipeg by 27 per cent., the addition of 1,481 miles of long-distance lines or a total of 5,631 miles in service, the opening of 17 new agencies and the operation of 350 offices, 111 exchanges and 239 toll stations, were announced. The number of calls made in the Winnipeg exchange were 210,000 per day and in the Provincial office 44,000; the staff of operators totalled 653 in number. A great difficulty of the year had been the obtaining of experienced men for construction purposes, etc.

As with the Elevator Commission this development was closely watched and criticized by two elements—the Opposition of the day and that section of the people who honestly disliked public ownership ideas and policies. In the House on Feb. 28th the Hon. Hugh Armstrong stated that it would be impossible to do as the Government had once hoped and further reduce the price of telephones to the people. The cost of operation increased with the extension, while the cost of wages and material had grown greatly in the past three years—the wages of girl operators had, for instance, been increased $40,000 in the past year. "The treasury balance is $110,000. This is the actual cash difference between the amount given the Telephone Commission for operation and maintenance and the sum returned, less the amount paid out as interest on Bonds. The treasury surplus on the operation of the Telephones for the last three years is $450,000 and the present capital investment $7,500,000."

On Nov. 4th a political sensation was caused by the announcement that there would be a deficit on operation in 1911 and that rates would have to be raised or re-organized. The actual figures as published in the ensuing year were as follows: Receipts $1,280,633, and Expenditures, including interest, $1,393,894; Assets $9,233,357 and Liabilities $9,366,655. The system had been largely extended and 16,992 subscribers were served in Winnipeg alone while nearly 200,000 persons used the telephones throughout the Province. Mr. F. C. Paterson described the proposed changes in the press as follows: "The Commission intend recommending to the Government a number of important changes in the rates. These changes are not all on account of the fact that this year's operations will result in a loss. Even if there were not a deficit this year the greater part of the recommendations would still be made. But in proposing a new basis for the computing of rates the Commission expects that it will yield a revenue sufficient to meet all expenditure. It will mean some increases and some reductions and will take the form of a re-classification of the service given and rentals charged in the various exchanges throughout the Province. A telephone user should pay for his Telephone service the same as he does for other public utilities, according to the extent to which he uses it. Why should the man who uses the telephone five times a day pay the same as the man who uses it fifty times per day? It is the intention of the Commission that exchanges shall be classified according to the number of subscribers and that the rentals charged shall be upon this basis."

There was a storm of public discussion over these proposals which, on Dec. 13, were announced in formal schedules to go into operation on Jan. 1, 1912. All payments were to be monthly. On a measured business service in Winnipeg the rate was to be $4.00 for 100 free-out calls and the unlimited residence service $4.00 a month with a measured service of 40 free-out calls at $1.50 per month. A pre-payment nickel service could be installed for 10 cents a day guarantee—each call to be 5 cents with two cents rebated by the collector monthly on each call over the guarantee in that month. There were other details, of course, and the additional calls in excess of the measured rate were put at two cents each. The Provincial rates, with ten per cent. discount for half-yearly payment in advance, were to be as follows in cities, towns and rural districts outside of Winnipeg:

Exchanges with Subscribers.	Business.	Residence.	Rural.
Under 100, with day service only	$25.00	$15.00	$20.00
100 to 200 and under 100, with continuous service	31.00	18.00	25.00
Two hundred to three hundred	32.00	19.00	26.00
Three hundred to four hundred	34.00	21.00	27.00
Four hundred to five hundred	36.00	23.00	29.00
Five hundred to one thousand	40.00	24.00	31.00
One thousand to five thousand	45.00	27.00	36.00

The business men of Winnipeg did not appear to approve of the changes and the *Free Press* (Lib.) contained columns of protest. Some of it was political, no doubt, but there was a good deal of distrust expressed which was honest and natural under new and unknown conditions. Banks and other institutions which used from 100 to 400 calls in a day were alarmed; small residence users who only kept the telephone as an occasional convenience expected to save money; retail business concerns were doubtful as to its effect; medical men were openly afraid of it. Practically, it was claimed, the house service of $25 a year would be increased to $48 while there was no unlimited business service at all. In business 20 calls a day would cost, the *Free Press* claimed, $156 a year or, if the nickel service were adopted, $195.20 as compared with the $50 existing rate.

On the other hand the Chairman of the Commission (Dec. 19) said that not more than 5,000 out of the total of more than 20,000 telephones in use in Winnipeg would be affected by the $4.00 per month and 100-calls rate. The immediate result of the measured service would be the elimination of unnecessary calls and a stoppage of frivolous conversations indulged in for no better reason than that the telephone afforded an easy means of idle gossip. "The total of needless calls amounts to many thousands daily. Every call made from any point is just so much of a tax on the service; it figures in the cost of operating, the cost of maintenance and the inevitable deterioration of the system." Figures were adduced to show that in the two weeks ending Dec. 1st only 70 telephone lines used 100 or more calls a day, and so on down to 2,500 using 10 calls, 3,000 using 3 calls, 5,000 using 5 calls a day, 1,500 using none. Meantime, as in Toronto, the competition of a City electric light and power plant had reduced rates in that connection by three cents per kilowatt.

There were some interesting Educational incidents during the year. Separate and Bi-lingual schools were freely discussed. In the Legislature on Mch. 14 William Molloy, a Roman Catholic Liberal member for a French Catholic constituency—La Verandrye—moved the 2nd reading of a Bill to repeal Clause 220 of the Public School Act which prevented Separate Schools existing on an equal basis in the community. In Winnipeg, he stated, his co-religionists were educating 1,200 or 1,300 children and for this purpose had erected at their own expense, several schools at a cost of hundreds of thousands of dollars. "Not only have they to bear the cost of erecting and maintaining their own schools because of their religious convictions, but they are forced, owing to this clause of the School Act, to contribute to the support of the Public Schools of Winnipeg, or, in other words, to pay for schools to which they cannot conscientiously send their children." He contended that this was most unfair, unreasonable, unjust and tyrannical. The measure was rejected by 34 to one. Joseph

Bernier (Cons.), and holding the same religious views as Mr. Molloy, opposed it on the ground that this historical and complicated question had been settled in the way in which it now stood by the Laurier-Greenway arrangement of 1897 and that the present motion was a party move. Both parties in the House voted against it. Mr. Bernier was keenly attacked by the *Northwest Review,* a Winnipeg Catholic organ, on Mch. 18th and replied in the *Telegram* of Mch. 25th. On Apl. 5, *Les Cloches,* the official organ of Archbishop Langevin, rebuked Mr. Molloy for taking a useless action and doing so without consulting his three religious colleagues in the Legislature. The existing situation might be and was intolerable to Catholics but this action had been ill-advised and Mr. Bernier's attitude quite justifiable.

Bi-lingual matters came up through the efforts of French residents at Union Point to turn the local school into a bi-lingual one; getting the requisite number of French pupils into the school but retaining, for a time, the English teacher. The Trustees were found guilty by the Police Magistrate at St. Norbert (H. de Moissac) of not having a properly qualified Bi-lingual teacher in a school containing more than ten French pupils and were fined $20 and costs. The appeal of the Trustees came before Judge Prudhomme at St. Boniface on Oct. 13 and was dismissed. The Judge's definition of Bi-lingualism in the schools was as follows: "It consists in teaching the pupil at first in French and when he has comprehended the subject matter in his own language to teach him in English the equivalent, thus keeping equally to the front the two languages and infusing in his young intellect, degree by degree, the knowledge of French and English." Speaking on this subject at Gretna (Nov. 15) Hon. G. R. Coldwell, Minister of Education, said: "There is no chance of progress unless the Bi-lingual schools are kept up to the standard of the best schools. First of all English must be thoroughly taught. There are a number of private schools in Gretna district where English is not taught and that is done of design. Some people think it unnecessary to learn English but it is a crime to permit their children to be without the language of the country."

At its meeting on Feb. 28th, the Provincial School Trustees Association passed Resolutions in favour of Compulsory education, more school inspectors, and Departmental speakers throughout the Province to deal with Technical education, larger Municipal and Legislative grants, medical inspection of all schools. The Provincial Educational Association (Apl. 20) urged the principle of a Teachers Pension Fund. The Winnipeg School Board Report for 1911 showed 20,167 pupils enrolled and a daily average atendance of 12,733. The Provincial Commission of Technical Education had George Reynolds and A. Malcolm added to its membership and in December Sidney E. Lang, M.A., was appointed Provincial Inspector of Collegiates, High Schools and

the larger Secondary schools. The annual Report of the Department of Education for the year ending Dec. 31, 1910, showed the following facts:

Legislative Grants to Schools	$454,618
Number of School Districts	1,551
Number of Schools in operation	2,227
Number of School-houses	1,430
Number of Pupils registered	76,427
Number of Teachers employed (Male 621; Female 2,153)	2,774
Grade of Teachers:—1st-class, 273; 2nd-class, 1,452; 3rd-class, 718.	
Average Teachers' Salary:	
In Cities and Towns	$749
In Rural Districts	$544
Average for the whole Province	$628
Number of High Schools and Collegiate Institutes	23
Total Educational Receipts from all sources	$4,184,767
Total Expenditures	4,000,671

The University of Manitoba question was again conspicuous. The Minister of Education (Mr. Coldwell) stated in the Legislature on Mch. 1 that from his experience in travelling through the Province he did not think the people would accept direct taxation for a State University when they wouldn't accept it for the elementary education of their own children. "The question around which the whole matter pivots is as to which will bring the greatest good to the greatest number. Ninety-five per cent. of the people of Manitoba have neither secondary nor university education. The money spent in education by Manitoba works out $3.50 per head of the population for elementary education, $2.50 for secondary education and for each student of Manitoba University $65.00. This latter amount is quite enough at present for higher education." A similar position was taken by W. Molloy (Lib.) on Mch. 3rd: "I am going to fight the proposal to the very last ditch. To recommend to this Legislature that a monopolistic State University should be established in the Province of Manitoba is an outrageous proposition and one which the people of Manitoba should not entertain for a moment." The question had now been agitated for some years and was really brought to a head by Wesley College—an affiliated institution of Manitoba University—asking for degree-conferring powers which, it was contended, would involve the break-up of the existing loose and unorganized University system into a number of small denominational universities.

The Provincial institution was not yet fully formed or organized though associated with it were seven affiliated and successful Colleges—Roman Catholic, Presbyterian, Methodist and Church of England, Pharmacy, Medical and Agricultural. It was governed by a Chancellor, Vice-Chancellor and Council and during 1911 was authorized to appoint a President; it possessed an endowment of 150,000 acres, 23 professors, lecturers, etc., and had many of the essential elements of a great University. The students in attendance, 1911-12, totalled 744 of whom 360 were in Arts, 51 in Engineering, 144 in Medicine, 38 in Law, 30 in

Agriculture, 11 "Special," and 110 in Extension Courses. It had, however, neither a suitable State endowment, like Toronto, nor immense private contributions like McGill. Hence the persistent efforts to make it a State University along lines similar to that of Toronto, or of California, Illinois, Minnesota, Wisconsin and other American States. A public meeting was held on Jan. 30 to protest against degree-conferring powers being given any of the affiliated Colleges. Rev. Canon Murray pointed out that the Provinces to the West were founding great Provincial Universities with full Governmental support. "These are still in their infancy but they have all the machinery needed to keep pace with their growth. The movement in the East is toward the same end. If we divide our degree-conferring powers and have no central University that can compare with these others, we will find that the flower of our youth will gradually pass from us to the East or to the West." Dr. H. H. Chown declared that no one Denomination could ever have anything better than "a crippled, limping institution, utterly inadequate to the educational needs of the Province." The only solution, to him, was a single University with full Government support.

Wesley College, on the other hand, claimed that it wanted a federalized institution like that of Toronto and had no thought of exercising the degree-conferring power "provided that amendments to the University Act should place the College in a fair position to carry out the purposes for which it was founded." At the University Convocation on May 12, Archbishop Matheson presided as Chancellor and various Honorary and graduation degrees were conferred. On the same date the Council decided to lay out and beautify the new site recently donated in Tuxedo Park and $20,000 was voted for the purpose. A report was presented by Dr. J. R. Jones as to the deputation which two weeks before had waited upon the Government with a view to secure, if possible, a declaration of the latter's policy in regard to the University and a grant of $10,000 in aid of its work; and to see if it were not possible to adjust some of the points of misunderstanding which had arisen in the past. Nothing, however, was promised as Mr. Coldwell remained firm in his policy of first aiding popular education.

Other incidents in Educational matters were the statement of Rev. Dr. Sparling on June 19th that Wesley College had received subscriptions of $183,000 toward the quarter-million Endowment it was seeking; the effort of Brandon (Baptist) College to obtain degree-conferring powers and the deputation which waited upon Mr. Roblin and his Government to that end on Jan. 3rd; the retirement in June of Dr. A. P. McDiarmid, President and founder of Brandon College, from his position; the declaration of the Presbyterian Synod of Manitoba (Nov. 16) in support of the attitude of Manitoba College which favoured the creation

of a Provincial University. To this end Resolutions were passed approving a Provincial University which should give instruction over the whole field of University education; inviting the Provincial Government and the Provincial University to assume the responsibility of providing instruction in Arts subjects; asking, meanwhile, for increased interest in and support of the College itself; deploring the granting of University powers to any other body than the Provincial University.

Resources and Development of Saskatchewan during 1911

It was a year of great progress in this Province. The new Census showed an increase in population since 1901 from 91,279 to 492,432 or 439 per cent. —the greatest advance of any part of Canada. Immigrants continued to pour into the region and for the year ending Mch. 31st the destination of 40,763 immigrants was given as Saskatchewan; of these over 25,000 were well-to-do farmers from the United States. In Building permits the chief centres grew greatly—Regina from $2,416,-288 in 1910 to $5,088,110 in 1911, Saskatoon from $2,817,771 to $4,920,000, Moose Jaw and Prince Albert from $1,733,565 to $3,396,981. Between 1906 and 1911 Regina increased in population 1,243 per cent. and Saskatoon 10,521 per cent. In 1904 Regina's assessment had been 2¼ millions and in 1911 $34,840,-000. During the fiscal year 1910-11, 25,227 homesteads were taken up but vast quantities of good land still remained available for settlement.

From an agricultural point of view the year 1911 was an extraordinary one. As the Provincial Department in its final Report for the year said: " A late spring, a month of bright warm weather following seeding and making growth phenomenal, then cold and showery, with high winds damaging heavy stands and retarding the ripening process until much had been caught either by early frosts or affected by rust. Notwithstanding all these unfavourable conditions the harvest has been a record one. While the grade is low an enormous quantity has been threshed and Saskatchewan now holds the premier place amongst the Provinces of the Dominion and States of the Union for both the quality and quantity of its wheat." Other conditions were exceptional. The prices for lower grades showed an advance on previous years so that farmers who had been able to get a considerable percentage of their crop shipped out did much better than they at first anticipated. The inability of the Railway companies to expeditiously handle the immense crop intensified for a time the unsatisfactory state of affairs in this respect. There was a large demand from Great Britain for all grades under No. 2 Northern and the consequent demand for Atlantic vessel space occasioned an increase in the through rate from Fort William to British ports of from 14 cents to 21 cents per bushel or nine cents from the Atlantic seaboard. As a result of these conditions changes were made in the

grades of wheat—the Grain Standard Board lowering grades No. 4, 5, and 6. As in Manitoba there was a decrease in autumn ploughing.

The grain inspected from points in Saskatchewan for the period of Sept. 1st to Dec. 31st was 44,827,875 bushels and, according to C. C. Castle, Dominion Warehouse Commissioner, 100 new grain elevators were erected in the Province during 1911 with an increased capacity of 2,999,000 bushels—the total number in the Province being 1,009 with a capacity of 29,439,000 bushels or nearly equal to the combined figures of Manitoba and Alberta. The total grain production of the year was 212,710,363 bushels, according to Provincial statistics, while in the United States the next great grain-growing community was Illinois with 166,022,000 bushels. The horses in the Province in 1911 numbered 574,972 or an increase of 22,000 in the year; the milch cows and other cattle 777,502 or an increase of 26,000; the sheep 125,072 or a decrease of 39,000; the swine 333,218 or an increase of 4,000; poultry 4,643,838 or an increase of 17,000. Of the four great crops the Provincial statistics gave wheat in 1911 as grown on 5,232,248 acres and yielding 96,796,588 bushels or 18·50 bushels per acre and 24 million more than in 1910; oats 2,192,806 acres, yielding 98,676,270 bushels, or 45 bushels to the acre and 35 millions more than in 1910; barley 244,993 acres, yielding 6,859,804 bushels, or 28 bushels to the acre and one million more than in 1910; flax 932,408 acres, yielding 10,377,701 bushels, or 11·13 bushels to the acre and 7 million more than in 1910. The Dominion statistics of production and values were as follows:

Field Crop, 1911.	Area in acres.	Yield per acre. bush.	Total Yield. bush.	Total Value. $
Fall Wheat	34,457	22·00	758,000	439,000
Spring Wheat	4,670,203	20·75	96,907,000	56,109,000
Oats	2,124,057	46·12	97,962,000	28,213,000
Barley	172,253	31·61	5,445,000	2,532,000
Flax	950,049	11·25	10,688,000	16,064,000
Potatoes	24,553	183·43	4,505,000	2,297,000
Turnips, etc.	9,960	285·21	2,841,000	1,221,000
		tons	tons	
Hay and clover	18,603	1·50	28,000	272,000

There was enough farm help for spring and winter work though an enormous lack of labour for the harvesting season and the men were apt to need experience. Their wages ran from $259 to $333 per year or from $29.95 to $39.40 per month while servant girls received from $12.50 to $18.70 per month. Land values went up an average of 25 per cent. and the average price of improved land ran from $20.00 to $27.00 and for unimproved from $15.00 to $23.00 per acre. The Dairy branch of the Department of Agriculture had centralized and aided the co-operative Creamery work of the Province during the past four years and the product increased from 220,282 lbs. of butter in 1908 to 462,216 lbs. in 1910 and 702,801 lbs. in 1911 while the num-

ber of farmers supplying cream rose from 553 to 1,596 in the four years. Winter dairying also came into operation and was found satisfactory. This co-operative idea found expression in various directions and was widely discussed during 1911 while the principle itself was put into operation as to the grain trade and the elevators by Legislative enactment.

The Farmers' organizations embodied the chief public interest of the year and perhaps rivalled the Legislature in serious debate. The Agricultural Societies Convention was held at Regina on Jan. 31 and Feb. 1. F. Hedley Auld, Superintendent of Institutes and Fairs, reported 406 meetings of these Societies in the year, 74 Exhibitions, $56,100 given in prizes and 50 Seed Fairs. A. F. Mantle, Deputy Minister of Agriculture, spoke on "home-building" and farm work, flax production, the value of Alfalfa, and kindred subjects; Hon. W. R. Motherwell, Minister of Agriculture, G. H. Barr, W. H. Fairfield, Dr. Rutherford of the College of Agriculture, and other authorities on agricultural topics also spoke. The Hon. Walter Scott, in welcoming the gathering to the capital, spoke for the Government and almost his first words were on Reciprocity—the all-pervading topic of the year—"the greatest measure of a favourable character affecting the Dominion which has been brought up for actual discussion since the time of Confederation." He then reviewed conditions generally. The Government grants to agricultural societies in 1905 totalled $11,000; in 1910 they were over $46,000. In the former year 3,742 labourers were secured for harvest purposes by the Department of Agriculture and in 1910, 10,647; Educational meetings along agricultural lines had increased from 50 to 200. Mr. Motherwell in his address pointed out that while Reciprocity would help the farmer yet the addition of five bushels per acre to his production—by care and skill in farming—would mean many more millions to the Province than even the trade policy could bring. A number of Resolutions, chiefly of a local agricultural nature, were passed. The Women's Institutes, or as they decided to call themselves, the Home-Makers Clubs, had a number of representatives in Regina at the same time who met separately and dealt with special questions.

The Saskatchewan Grain Growers Association met in its 10th annual Convention at Regina on Feb. 7-8 with 450 delegates present of whom a large number were young men. President F. W. Gates, of Fillmore, presided and addresses of welcome were given by Mayor P. McAra and Mr. Premier Scott. The latter, in speaking, approved the idea of teaching a book-keeping system for farming purposes; concurred in the general proposal to give railway connection to newly settled districts; would make no promises as to a special tax on unoccupied land but looked on the proposal with some favour; thought that the Hail Companies

were on the whole doing satisfactory work for the farmers; promised legislation as to bonuses to Loan Companies on payment of mortgages before due date; did not think it feasible to make threshing wages a first lien without registration.

Many addresses followed. G. F. Chipman of the *Grain Growers Guide,* Winnipeg—in which the Association had taken $1,000 worth of stock—urged a Federal educational campaign along the lines of the 1910 Delegation to Ottawa; E. A. Partridge advocated the formation of a Farmers' Joint Stock Company to build the Hudson's Bay Railway; F. W. Green of Moose Jaw, Secretary-Treasurer, reported a paid-up membership of 10,328, of whom 4,000 had been added during 1910, with a cash balance of $13,000—as compared with 3,136 members in 1908; D. W. McCuaig of the Manitoba Elevator Commission dealt with their experience in that Province and said that where the crops were good the Government elevators had been patronized and where they were poor there was a tendency to go to the Mill elevators; R. McKenzie, Secretary of the Manitoba Grain Growers, spoke on the advantages of Reciprocity; S. D. Carey of Belle Plains denounced the Imperial Privy Council and declared the Association powerful enough to make its demands heard even there and, amidst much laughter, added: "We have taken the heads of Kings off before now." The great question before the Convention, however, was that of Government-ownership of Elevators *versus* Co-operation of farmers with Government aid. E. A. Partridge, in a long and able speech, stood for the first policy while George Langley, M.L.A., and F. W. Green, members of the Government Commission which had reported in favour of a Co-operative plan, stood by the Government policy. Mr. Langley opposed State ownership because the Government should devote itself, first, to "using the credit of the Province to displace the Loan Companies and to lend money to the farmers at five or six per cent. and, in the second place, because politics would control the system as in Manitoba where, he declared, the Liberal farmers were boycotting the Government elevators. Many others spoke and, finally, a Resolution was approved—by so large a majority that it was decided to make it unanimous—endorsing "the Elevator scheme as outlined in the Report of the Commission."

Resolutions were also carried favouring (1) Direct legislation by the initiative, referendum and recall; (2) declaring freight, passenger, express and telegraph rates in the West to be excessive and demanding lower rates; (3) urging upon the Railways and the Railway Commission the provision of cars with two doors to load through and sufficient space so that two farmers might fill a car of large capacity; (4) asking the Provincial Government to grant municipalities the power to tax vacant lands as high as double the tax on occupied lands; (5) describing the Hail Insurance Companies as doing a business unsatisfactory to the farmers

and urging a Provincial system with a revenue raised by taxing land two cents per acre; (6) urging the Provincial Government for legislation to compel a standard implement-sale agreement amongst the Companies; (7) declaring strongly in favour of conserving natural resources and stating that the Federal Government should not allow water-powers or coal areas to pass under private ownership or lease for more than 10 years without a re-adjustment of rental; (8) favouring Dominion Government control of the chilled meat industry and export trade, with ownership and operation of Hudson's Bay Railway and Terminal Elevators; (9) supporting municipal control of slaughter abattoirs; (10) approving Reciprocity with the United States and free trade as the ultimate aim of legislation; (11) urging the free admission of farm implements, direct taxation on land values, and Dominion and Provincial co-operation to prevent railways constructing in too close proximity to one another's lines. J. A. Maharg of Moose Jaw was elected President and A. C. Dunning of Beaverton Vice-President. Directors were chosen as follows: F. W. Green, Moose Jaw; E. A. Partridge, Sintaluta; George Langley, Marmont; A. G. Hawkes, Percival; F. C. Tate, M.L.A., Regina; John Evans, Nutana; John Reid, Arcady.

On Feb. 21st the 2nd annual Convention of Provincial Dairymen's Societies was held in Regina and addressed by agricultural and dairying experts. Resolutions were passed in favour of a system for grading cream and butter similar to that of Alberta and of a Provincial system of cold storage. Commendation was formally expressed of the Government supervision of creameries in both work and methods. At the annual meeting of the Saskatchewan Sheep Breeders Association F. T. Skinner of Indian Head urged various reasons for supporting a Sheep industry which, in the Argentine, brought that country $30,000,000 a year. "Sheep require less attention and are easier handled than any other farm stock; in times of grain scarcity they will live on grass; they will double their value every year and they afford the easiest available supply of fresh meat for summer months; there is an ever-increasing market for lambs, which can be marketed in August at a time when ready money is acceptable and they are excellent factors in maintaining the fertility of the soil." He also inquired if a duty of 12 cents per pound was necessary to save the United States' wool-grower, how much more was a substantial tariff on wool necessary to resuscitate a Canadian industry which had been nearly strangled for the lack of it! Other incidents of the year included the Provincial Government's policy of obtaining harvesters in the United States and admitting them under a modification of the Dominion regulations; the winning by Seager Wheeler, an English farmer at Rosthern, of the 1st Prize and $1,000 in gold at the New York Seed Show for the best wheat grown in North America; the promotion of Alfalfa-growing in

the Province by Angus McKay of the Experimental Farm, and others, with a variety different from that in American use.

Meanwhile Railways had been spreading out and transportation problems growing with equal rapidity. The mileage of the Province on Mch. 31, 1911, was 3,120—an increase in the fiscal year of 188 miles and of 1,100 miles in five years. Much construction by the great railways was also under way and the Regina *Leader* said on June 28: "Saskatchewan is witnessing to-day the greatest railway development any section of the world has ever known and over 1,000 miles of new railway track will be constructed in Saskatchewan this year; last year (calendar) Saskatchewan led all Provinces in the Dominion with a total of 475 miles; the C.N.R. is constructing 330 miles, the G.T.P. is constructing 340 miles, the C.P.R. is constructing 348 miles." At the close of the year it was stated that 817 miles of grading had been done and 475 miles of steel laid with a total mileage increase since 1905 of 2,182. Of the difficulties facing Saskatchewan in 1911 one was caused by the prolonged coal strike in Alberta which led the Provincial Government to make strong representations at Ottawa. A coal famine in the winter threatened and before the matter was settled the stocks in hand had dwindled to a vanishing point. Pennsylvania coal could, of course, be obtained as a last resource but only at an excessive price. The C.P.R. was an element in relieving popular fear by bringing in large quantities and, had the condition continued into the winter it would have proved a public benefactor. Another help was the temporary removal of the coal duties.

Then came the enormous and unexpected crop and the inevitable car shortage. There was a serious wheat blockade for weeks though the result, and the alleged losses to the farmers, were not nearly so serious as despatches to the East indicated. It was bad enough, however, and the Regina Board of Trade on Dec. 13th stated that at 66 places in the southern counties 6,855 cars were on order and 2,370 supplied during the six preceding weeks. The Liberal press blamed the defeat of Reciprocity for the whole situation yet the Regina *Leader* of Dec. 20th stated that the Railways had actually moved 11,000,000 bushels more of grain than in 1910. Outlets, however, were choked and railways blocked with loaded cars while grain was pouring into a funnel with a small mouth. More outlets were needed, it was claimed, and they could only be had to the South. "Saskatchewan is suffering to-day from the loss of Reciprocity to a far greater extent than even the most ardent supporter of that policy could possibly have predicted would follow its defeat. . . . Ontario has fastened upon us a condition which is threatening to rob us of much of the splendid progress already made." A conference of Grain Growers and the Canadian Council of Agriculture at Regina on Dec. 29th urged an immediate arrangement with the United States Railways for

the use of their cars and a change in freight rates to Duluth and Minneapolis.

In other lines of development Saskatchewan found itself with 50 new Bank branches during the year and a total of 323; its Clearing-houses showed $169,777,575 of business and its municipal bonds sold to a total of $4,314,389; its Lumber cut (1910) was 75,931,000 feet B.M. worth $1,092,000 and the new Buildings in 1911 were $12,579,000 in value or double that of 1910; the investments by Life, Fire and other Insurance concerns and Loan and Trust Companies in the Province totalled $42,734,000 in 1910 and continued to increase in 1911.

Government and Legislation in Saskatchewan during 1911.

On May 20th Chief Justice E. L. Wetmore was sworn in as Administrator of the Province during the Lieut.-Governor's absence and, while the Hon. Walter Scott was away at the Coronation, the Hon. J. A. Calder was acting-Premier, Attorney-General and Provincial Secretary and the Hon. A. P. McNab acting-Minister of Agriculture and Public Works. There were no changes in the Ministry during the year though rumours were rife that if the Laurier Government won in the Elections Mr. Scott would go to Ottawa as Minister of the Interior and Mr. Calder assume the Premiership with Hon. Frank Oliver upon the Railway Commission. On Jan. 26 the Premier and Mr. Turgeon, Attorney-General, received 100 members of the Social and Moral Reform Association who urged the Government to take up and push through a total Prohibition law and, meantime, to give a rigid enforcement of the License regulations and to change the machinery used in Local Option contests. A number of minor suggestions were also made.

Mr. Scott in reply said: "Speaking personally I do not think it would be possible or proper for the Government or the Legislature, at this time, to endeavour to pass Provincial Prohibition. Two of your speakers have expressed the opinion that the people of the Province at the present time are ready to support Provincial Prohibition. That may or may not be true. I may say frankly that I am not able to share the belief of those speakers." As to public support the Government had lost votes by the Local Option legislation of 1908 and similar results might well follow a Prohibition policy. Mr. Turgeon, in speaking of License enforcement, pointed out that Municipal co-operation was absolutely essential and was often not given. On Feb. 1st 300 members of the Licensed Victuallers Association waited upon the Government to ask certain amendments to the License Act—extending the Local Option period from 2 to 5 years; changing the wording of ballot papers so as to read for, or against, the Local Option by-law and not for, or against, the sale of liquor; the lengthening of closing hours to 8.30 on Saturdays and 11 o'clock on other nights. The Premier in his reply favoured an extension

of the Local Option period; as to the rest he urged that they join with other citizens in enforcing existing laws. In an address on June 10, C. B. Keenleyside, a vigorous Temperance agitator, freely denounced both parties in this connection and also the Local Option law, as having broken down at every point, with petitions ignored, technical objections maintained, fraudulent votes admitted, and By-laws quashed for trivial reasons. The Social and Reform Convention at Regina on Oct. 24 passed a Resolution urging Prohibition and, meanwhile, a more effective Local Option law.

The 3rd Session of the second Legislative Assembly of Saskatchewan was opened on Dec. 15, 1910, by His Honour George W. Brown, in a Speech from the Throne which referred to the continued prosperity of the Province, to the death of the King, the accession of George V., and the retirement of Lieut.-Governor A. E. Forget; described the progress in organizing the Provincial University and Agricultural College and the approach of the new Parliament Buildings toward completion; mentioned the acquisition of a suitable site near Battleford for the establishment of an Insane Asylum; described the Act for giving financial aid to rural municipalities as beneficial and worthy of continuance; stated that the Report of the Elevator Commission—Professor Robert Magill, G. Langley, M.L.A., and F. W. Green—was ready and would be presented to the House; referred to the organization of a Bureau of Public Health and promised some important legislation. The Address was moved on Jan. 17, 1911, by J. W. MacNeil of Hanley and J. J. Stevenson of Francis. After ten-minute speeches from Mr. Scott and the Opposition Leader (F. W. G. Haultain) the Address passed without a division.

The first debate of the Session was on Feb. 1 when Mr. Haultain moved, seconded by A. B. Gillis, that "the Hudson's Bay Railway should be owned, controlled and operated as a Government Railway." J. F. Bole and G. A. Scott (Liberals) moved in amendment that "this House is of the opinion that the Government of Canada should, in the interests of the people, build and own the Hudson's Bay Railway and that such arrangements be made for its operation, either directly by the Government or by an independent Commission, or otherwise, as will secure to the people of Western Canada, for all time to come, absolute control by the Government over all rates, tolls and other tariffs to be charged; thus insuring that this new outlet for our products to the world's markets shall constitute a competing line of railway, the operation of which can be carried out at the lowest cost consistent with the public requirements." The Amendment was carried by 25 to 14.

The Regina *Standard* of Jan. 17 having stated that Messrs. J. A. Calder and Alphonse Turgeon were not only members of the Government but members of the law firm of Turgeon, Fish

and Calder and thus Solicitors for the Canadian Northern, the Western Trust Co. and similar concerns, the matter was discussed in the House on Jan. 20th and both Ministers emphatically denied the truth of the insinuations made. Another firm in Regina represented the C.N.R. They, of course, practised law and the only advantage the Western Trust Co. got from the Government was its appointment as Official Administrator in certain districts. Mr. Calder claimed that this was necessary in view of the shutting off of Eastern Trust Companies owing to Ontario's requirement that one-third of the stock in operating concerns there should be local capital. There was very little remuneration involved. Mr. Turgeon admitted that the firm were Solicitors for the Northern-Crown Bank and that there may have been casual business accepted from the Railways. But there was no regular arrangement with any of them and the Firm had often refused work in many directions because it might be open to misconstruction. On Feb. 20 Mr. Gillis stated in the House that Mr. Calder, Provincial Treasurer and Minister of Education, held 50 shares in the Union Bank which received hundreds of thousands of dollars of Provincial business and that the Premier (Mr. Scott) had guaranteed the account of *The Leader* at the Royal Bank of Canada. He also revived the stories about Turgeon, Fish and Calder and the C.N.R. A prolonged debate followed in which very full explanations, or explicit denials, were given by the Premier, and by Mr. Calder in a letter which was read. In the main they were accepted by the Opposition and the subject then dropped. On May 9th it was announced that Messrs. Calder and Turgeon had decided to retire from their law firm and devote all their time to public business.

The most important legislation of the year was the measure incorporating the Grain Growers Elevator Company of Saskatchewan and this was presented in the House by Mr. Premier Scott on Feb. 2nd. By its terms members of the Executive of the Saskatchewan Grain Growers Association were created a body corporate and politic, and the Government was authorized to advance to the Company thus created a loan not to exceed 85 per cent. of the cost of each elevator purchased or constructed by the Company. The Government was also empowered to make a cash grant to the Company to cover the expenses incurred in its organization or in the formation of local bodies of shareholders to support the elevators at different points in the Province. The Company was given power to construct, acquire, maintain and operate grain elevators within Saskatchewan, to buy and sell grain and, generally, to do all things incidental to the marketing of grain. The capital stock was to be fixed from time to time by the Government, be divided into $50 shares and be sold only to agriculturists who could not hold more than ten individual shares. Any sums loaned to the Company were to be repayable in 20 equal annual instalments of principal and interest, the first of such instalments to be

due and payable on the first day of the next year following the grant of the loan and secured by a mortgage, or mortgages, upon the elevator in question and any interest in real or personal property which the Company might hold and use in connection with the elevator.

In moving the 2nd reading of the Bill on Feb. 7th Mr. Scott commenced by describing the importance of the subject and the care and thought given to it by the Government; the non-partisan nature of the Elevator Commission whose conclusions they were to a considerable extent about to embody in legislation; the hope that the question might be settled without partisanship. The Commission's opinion* in favour of "a co-operative organization of the farmers," assisted by Government loans, was his policy in a nutshell. Incidentally, the Premier stated that the Manitoba Grain Act of 1903 was his production and the original draft in his own hand-writing. A long review of the Commission and its work followed and then Mr. Scott attacked the Manitoba policy of Government ownership, declared it to have been a failure which he did not desire to follow, and stated that the Government, there, owned 154 elevators and operated only 100 while, at the points served by their Commission in September, October and November, 1910, 2,331,800 bushels were received and 225 non-Government elevators received 5,044,868 bushels.

In his argument Mr. Scott maintained certain definite propositions. Government ownership could not be a monopoly and could not be a success without monopoly; the proposed Company could act for the Government and be a monopoly. The scheme had the advantage over Farmers' Elevators by having non-local management and ability to meet cut-throat competition; it provided an immediate market for the man with less than a car-load of grain and the plan was really that of the Grain Growers themselves. They asked for the Commission, approved its *personnel*, and furnished the evidence upon which the policy was based. Mr. D. W. McCuaig of the Manitoba Commission afterwards pointed out that the figures quoted by the Premier related to Southern Manitoba and that if the North was included a different result could be shown. Following this speech the Grain Growers, by a large majority, approved of the Bill.

The Opposition leader (Mr. Haultain) succeeded in vigorous denunciation of the whole scheme. Government responsibility and control were essential and the proposed system meant division, doubt, ineffective management, political manipulation, financial loss. He declared that the financial provisions were not adequate for the purpose of buying and selling grain, that the Bill did nothing for the Grain Growers of the Province which they could not do for themselves without any Company at all—except upon the one point of loaning money at a low rate of

* NOTE.—See THE CANADIAN ANNUAL REVIEW for 1910. Page 505.

interest. It would in its working-out provide a fine harvest of litigation. The Company could have no powers the Government did not possess and the latter could not create a monopoly; the Bill would result in financial confusion between the central authority and the local bodies which would have nothing to manage. "There would be a joint liability of the shareholders for all the elevators of the system."

Contrary, he claimed, to the custom that every shareholder should have a voice in the affairs of his corporation, the Bill provided only for a delegation of shareholders to the general meeting of the Company. "Such a state of things is contrary to all ideas of self-government." As for the Manitoba scheme its success or failure could not be established for a year or two. He believed, also, that the farmers of Saskatchewan would be loyal to a system of government-owned elevators whatever might be the case in Manitoba. As to the Opposition: "We stand by the principle of Government-ownership. That is a sufficient declaration to make for the time being. We are pledged to introduce a measure along this line when we have an opportunity to do so, if such a measure be asked for, and required, and needed." After a lengthy reply from Hon. W. R. Motherwell and a number of speeches which made the debate, ultimately, the longest in Saskatchewan's history, F. C. Tate, for the Opposition, moved on Feb. 17th the following Amendment to the 2nd reading: "The said Bill does not provide adequate or effective relief for the farmers of the Province from disabilities surrounding the storing and shipping of grain; which disabilities in the opinion of this House can only be removed by a system of Government elevators."

This was rejected on Mch. 1st by 26 to 14. In reply to Mr. Tate, on Feb. 17, the Attorney-General (Hon. Mr. Turgeon) assumed that 50 elevators would be built under the terms of the Bill at a cost of $5,000 or, all-told $250,000. Of the latter sum 15 per cent., or $37,500, would be paid by the shareholders in stock subscribed, the remaining 85 per cent., or $212,500, would be provided by the Government. The assets of the Company would be, firstly, the elevators at a face value of $250,000 and, secondly, the remaining 85 per cent. of the share capital subscribed by the farmers. On the other hand the Company's liabilities would only be $212,500. Many speeches followed—those of Hon. J. A. Calder and George Langley for the Government and A. B. Gillis and H. H. Wilway for the Opposition being, perhaps, the most notable. The 2nd reading of the Bill passed on Mch. 1st and the 3rd reading on Mch. 14th when the debate concluded with elaborate speeches from Messrs. Scott and Haultain; a change of name took place in the Company and in the title to the Bill as The Saskatchewan Co-Operative Elevator Company; and the Premier declared that the capital stock would run from $500,000 to $750,000. On Apl. 20, following, William Noble of Oxbow

wrote the press claiming that the Company was not a limited liability one and that shareholders were, therefore, personally liable to the Government for the money loaned to the Company. The organization meeting took place at Moose Jaw on July 7th with J. A. Maharg as President, George Langley as Vice-President, and C. A. Dunning as Secretary-Treasurer; with 43 local societies organized at points where elevators would, presumably, be constructed at once.

The other important measure of the Session was Mr. Turgeon's Workmen's Compensation Act. In moving the 2nd reading on Jan. 20th the Attorney-General illustrated the old law in this respect. "The idea then was that a workman must take the risks of his occupation. The General-Manager of a Railway Company and a railway labourer were held to be in common employment. The Legislature of the North-West Territories swept away entirely the ground for common employment though other responsibilities had been left untouched and compensation had been limited." The Government, said Mr. Turgeon, had come to the view that a workman should receive some compensation for an injury no matter how the injury occurred. In the English Act and in the Alberta Act there were exceptions. Other Acts exempted the employer from liability in the case of drunkenness or wilful misconduct. It was, he thought, impossible to properly draw the line. The chances were very remote that an employee would cause himself injury in order to get compensation. No doubt, in view of the obligations imposed by the Bill, certain of the Railway companies and others would devise schemes of insurance for the benefit of the employees. One principle in the Alberta Act which was being followed in the Saskatchewan Bill was that the latter did not apply to Agriculture. The Bill was rendered necessary by the fact that men working on railways, in mines, quarries, etc., had to fight big corporations which wearied them out by going from appeal to appeal. "The relation of the workman to the farmer is a more intimate and entirely different relationship." There was practically no opposition. Mr. Haultain pointed out that the real principle of the Bill was to add to the cost of production the cost of the workingman's insurance from injury and death by accident and thus, eventually, to lay the burden upon the community as a whole. To this end he supported the Bill and even the drastic clause making the employer liable to pay compensation whether or not the workman contributed to or was the sole cause of the injury or death by reason of his own negligence or misconduct.

Other legislation included Hon. J. A. Calder's suspension of the Municipal Telephone Act in-so-far as rural municipalities were concerned and with a view to safe-guarding the Provincial Telephone system; another Bill by Mr. Calder placing the average attendance at 75 before a High School could become a Collegiate

Institute; Hon. A. P. McNab's amendment to the Rural Municipality Act which enabled local improvement districts to organize as municipalities by petition and the same Minister's Bill authorizing these latter Districts to collect school taxes; the Premier's amendment of the Public Works Act providing for more strict accounting of the stocks purchased by Departments, compensation for District Court Judges acting as arbitrators for the Department, and giving the latter control over the laying out of townsites, etc.; Hon. A. Turgeon's measure ensuring to the wife a one-third interest in the estate of her husband should he die without making a will; another Bill of Mr. Turgeon's providing greater protection for the public in means of egress from public buildings; Mr. Calder's amendment to the University Act arranging for the election of four Senators from the four cities of the Province, one each from certain districts named, with four from the Province at large, and constituting an Advisory Council for the Agricultural College.

Mr. Turgeon also passed amendments to the Liquor License Act allowing appeals as to the validity of a Local Option by-law to the Supreme Court, enlarging the period between votes on By-laws from two to three years and prohibiting in Local Option districts the drinking of any liquor outside private houses; and Mr. Calder had a measure increasing the Sessional Indemnity from $1,000 to $1,500. Mr. Turgeon amended the Election Act so as to provide for the appointment of a Registrar in each constituency whose duty it would be to compile the Lists. As a basis the present Lists and rate-payers' lists of the municipality would serve and any other source of information would also be available to the Registrar who would, after due notice, hear applications to strike names off and add names on. He could himself neither strike off nor add to the lists but, after hearing the application, would transfer it to the revising officer who would hear the reasons over again and then pass final judgment and complete the Lists. District Court Judges would be a Board of Registration and appoint the revising officers.

The Attorney-General had another Bill raising the jurisdiction of District Courts from cases involving $300 to a limit of $500. The Hon. W. R. Motherwell had a measure giving the Provincial Anti-Tuberculosis League corporate authority to establish an institution for treating the disease in its early stages. Another Government measure provided cheap and summary procedure whereby a deserted wife could obtain a Court order for weekly payments by her husband. Mr. Motherwell also had a Bill giving the Government power to advance sums up to $3,000 to a Dairy Company instead of the existing $1,200 limit. Amendments to the Cities and Towns Act gave such places the right, within a four-year period, to tax all rateable land—villages

already had the privilege. The population necessary in forming a village was raised from 50 to 100.

During the Session the debate on Mr. Haultain's Resolution as to Provincial control of its own resources evoked extraordinary scenes and stormy debates. The motion was presented as follows on Feb. 15: "That in the opinion of this House the Government should take immediate steps toward obtaining the control of the un-alienated coal areas and water-powers in the Province with a view to the ultimate establishment of a Provincial system for the development and transmission of power for municipal, manufacturing and other purposes in the Province, and of a cheap fuel supply under the control and operation of the Government." In his speech the Opposition Leader dealt with the alleged enormous coal resources of the Province and quoted geological experts to prove the possession in one small district of 2,000 million tons while, in the constituency of Maple Creek, there were said to be 15,000 million tons: described the water-powers on the North and South Saskatchewan and urged the immense value of these and other resources to the people of the Province and the right of the people to control them. Other speakers followed—especially Mr. Turgeon in an able review of the whole question of public lands, Autonomy terms and Provincial rights from the Liberal point of view which he concluded with a long Amendment. In it the Attorney-General pointed out certain preliminary conditions and concluded as follows:

> **Therefore, be it resolved, that in the opinion of this House, the Government of Saskatchewan should proceed with negotiations with the Federal authorities for the purpose of having transferred to the Province all that part of the hinterland of Saskatchewan, together with all natural resources of purely local concern contained within the Province, not required for colonization and immigration purposes. And, be it further resolved, that while this House holds the view that negotiations for the purposes mentioned should be proceeded with, yet it desires to place on record and re-affirm its belief in the principle that in the interests of Saskatchewan, as well as in the interests of Canada, as a whole, and of the British Empire, it is desirable that the vacant agricultural lands of Western Canada should remain under the control of the Federal authorities for settlement and colonization purposes.**

A. B. Gillis, an Opposition member, followed with another Amendment reviewing the Provincial Right Party's demand of the past six years for control of lands, timber, minerals and waters, declaring the Federal Government's money grants to be unfair and inequitable and urging negotiations "with a view of obtaining from the Dominion (1) the beneficial interest and control of all Crown lands, minerals, timber and waters in the Province; (2) compensation for all lands alienated by the Dominion for purely Federal purposes, including purchased homesteads and pre-emptions; (3) the extension of the northern boundaries of the Province in the same manner as the other Provinces are dealt with." During a prolonged debate on this subject on Mar.

9th the Premier hinted at a Dissolution if the Government's Resolution was not carried unanimously.

This annoyed the Opposition to such an extent—in view of an alleged unfair dissolution in 1908 without time to revise the voters' lists—that a deliberate policy of blocking estimates and progress was entered upon when Mr. Scott refused to give any guarantee that he would not dissolve before a Fall Session. For 2½ days, following, or 61 hours, the debate continued—members on both sides succeeding each other in day and night relays with speeches ranging from long hours down to motions that the salary of the Minister of Education be reduced by 50 cents. The Opposition was determined that there should be no dissolution without a revision of the lists; the Government was equally certain that it was impossible to constitutionally bind the Crown as to the time of dissolution. Sunday, the 12th, saw an enforced adjournment. On the 16th the debate was resumed after an agreement had been arrived at which involved the acceptance by the Opposition of the Government's motion *minus* the last clause approving Federal control of agricultural lands and the Government's assurance as to dissolution contained in the words used, as follows, during an elaborate six-hour presentation of the whole case, on the 18th, by the Prime Minister:

> During all last year I stated repeatedly that I was not contemplating dissolution. Until the Lands question was raised a month ago the idea of a dissolution this year had never occurred to me. The situation which developed out of the Lands motion, the amendment and sub-amendment, did force me to admit to myself the possible expediency of an appeal to the people to give the Government the greatest possible strength of position in the proposed negotiations with the Federal authorities. I am now prepared to make the statement, in view of the unanimous mandate given the Government last evening, that I see nothing in the political situation to call for or justify a dissolution of the present House and a general election, and I say, frankly, that I have not the slightest desire or intention to advise a dissolution at any time during this year. Of course, it must be clearly understood that my statement does not purport to bind the Crown.

Meanwhile, Mr. Gillis' Amendment had been defeated by a party vote of 24 to 12 and Mr. Turgeon's Amendment, having been presented, less the closing paragraph, was accepted unanimously. On Mch. 21 Hon. J. A. Calder presented his annual Budget to the House. After pointing out the condition of general prosperity in the Province, and the large necessary expenditures of a Government in a new country over a period of years, he claimed the Provincial finances to be in excellent shape. "Anyone who knows anything about the subject at all must recognize that the credit of the Province in the money markets of the world is first-class. Our securities are generally recognized as being gilt-edged. We have no difficulty whatever in borrowing money." In London in the previous year he had succeeded in securing money at a rate of 3⅛ per cent. Saskatchewan was paying for Education more, per

head of the population, than any other Canadian Province and the adjustments of grants for that purpose and for Agriculture had not actually lessened the total given. Ever since 1906, with the exception of one year, there had been a surplus and the estimated surplus for the past year was $150,000. The latter figure had been given to the House in January but later returns showed that the surplus would be somewhere in the neighbourhood of $230,000. The surplus for 1909 was $193,001 and the average surplus for the four years, 1906-1909, was $236,538.

The Government in the past few years had grappled with many vital and expensive problems—Prohibition, Buildings, Education and a Provincial University, Agriculture and the Elevator question, Railways and Telephone ownership. Mr. Calder gave the House some figures in respect to the progress on lines of the C.N.R. and G.T.P.—the bonds of which were guaranteed by the Legislature. The guarantees were for a total mileage of 1,650. The two Companies had graded on these lines 736 miles and had laid tracks on 400 miles. All told, assistance had been provided for some 24 branch lines and on 18 of these work had begun. Five others had been surveyed and located and were ready for grading; out of the 1,650 miles, the bonds of which had been guaranteed, grading work had still to be commenced on 914 miles. In five years school districts had grown from 942 to 1,324, organized townships had increased from 882 to 2,348, the area under wheat from 1,130,000 acres to 4,664,000 or 300 per cent. He pointed out that Saskatchewan's total general revenue was only one-third that of Ontario, one-half that of Quebec or British Columbia, and less than that of Manitoba. The Public Debt he placed at $5,757,-670 compared with 20 millions in Ontario, 24 millions in Quebec, 10 millions in Nova Scotia, and 13 millions in British Columbia. The Expenditure on capital account for the fiscal year, 1910-11, was $1,948,864 which included $968,774 on Buildings, $633,535 on Telephones, and $346,554 on the Provincial University. The total capital expenditure from Sept. 1, 1905, to Feb. 28, 1911, was $6,238,657 or $500,000 more than the net Public Debt and of the total $2,726,182 had gone on buildings which included $1,635,785 for construction of the splendid new Legislative halls and $1,612,275, also, for Telephone purchases. The Public Debt totalled $7,266,379 of Loans arranged in 1909 and 1910 with Assets available of $1,508,709.

The estimated Revenue for the year ending Feb. 28, 1911, was $2,754,600 of which $1,276,850 came from Dominion Subsidies, $300,000 from Supplementary Revenue Fund, $216,000 from Land Titles fees, $98,000 from Liquor licenses, $145,000 from taxes on companies, railways, corporations, etc., $135,000 from Agriculture and in connection with advances *re* Dairying work, $175,000 from Telephone operation. The Expenditures were estimated at $2,742,455 including $131,200 on Public Debt,

$292,567 on Civil Government, $83,537 on maintenance of Public buildings, $465,000 on public improvements, surveys, etc., $743,600 on Education, $232,350 on Agriculture, Dairying, etc., $120,000 on Telephones, $73,500 on Public Health Bureau. The Capital expenditure was expected to be $2,262,253 of which $1,355,253 would go to construction of public buildings and $660,000 to Telephone extension. Mr. Haultain made no elaborate criticism of the Budget. He claimed that it was absurd to compare a new country in respect to Debt with old-established communities and alleged that the net Debt was really about $8,000,000 if the main and supplementary estimates were included. During the Session the following Resolutions were considered and dealt with as stated:

Feb. 3.—Moved by A. S. Smith and George Langley (Liberals): "That in the opinion of this House the growth and development of the Province has been such as to warrant the organization of every territorial unit as a rural municipality, after it has been in existence one year as a local improvement district or, in the alternative, the time has arrived when all local improvement districts should be abolished and rural municipalities established in their stead." Defeated by a non-party vote of 30 to 3.

Feb. 3.—Moved by J. A. Sheppard and A. S. Smith (Liberals): "That this House is of opinion that the time has come when the lands set apart by the Parliament of Canada as an endowment for school purposes, together with all moneys which have accrued from the sale of such lands, should be under the control and administration of the Provincial authorities, and that the Government of Saskatchewan should continue its negotiations with the Government of Canada for the purpose of having the said endowment transferred to the Province." Passed unanimously.

Feb. 6.—Moved by F. W. G. Haultain and W. Elliott (Opposition): "That in the opinion of this House the special burden imposed upon the Province by the exemption granted to the Canadian Pacific Railway should be removed and borne by the Dominion at large." Moved, in amendment, by G. A. Bell and G. A. Scott (Liberals): "That in the opinion of this House the provision in the C.P.R. contract granting to the Company exemption from taxation on its lands for an uncertain period of years, and on its railway property for ever, were and are flagrantly unjust to Canada as a whole, and unjust and unfair to Western Canada in particular, and should not have been enacted by the Parliament of Canada; and these provisions should be speedily abrogated and forever abolished." Amendment carried by 21 to 11.

Feb. 13.—Moved by G. M. Atkinson and J. W. MacNeil (Liberals): "That in the opinion of this House the Government of Canada should forthwith bring about the winding up of the contract so as to release the lands in question (Qu'Appelle, Long Lake & Saskatchewan Railway), and thus remove their exemption from taxation." Passed unanimously.

Mar. 9.—Moved by G. B. Johnson and A. W. Riddell (Opposition): "That for the proper holding of Elections of Members of this House regular voters' lists should be prepared, and it is highly undesirable that a general election should be held until such voters' lists are completed. Defeated by 17 votes to 7.

There were other lengthy Resolutions of which one dealt on Mch. 23rd, with the evils of war, the statements of President Taft

and Sir Edward Grey in favour of international arbitration, the influence of the proposed reciprocal trade agreement in helping "to draw all the English-speaking nations into more friendly relationship," and denounced all efforts to provoke ill-feeling between Canada and the United States while urging support to a general movement for the "judicial settlement of all international disputes." This was passed unanimously as was another expressing loyal congratulations to King George V. On Mch. 8th occurred the discussion of the Resolution in favour of Reciprocity, which is dealt elsewhere in these pages, and which evoked the remarkable unanimous acceptance of that policy by both sides of the House—a position which Mr. Haultain and other Opposition members did not maintain in the ensuing Elections. The Legislative Assembly Act was amended to increase the number of representatives to 54 in accord with the increasing population. The House was prorogued on Mch. 23rd. A measure had passed the House without opposition establishing a Provincial Bureau of Labour and this was at once organized with T. M. Molloy as Secretary.

Two matters occurred at the end of the year which were important. One was a clear and distinct attitude by the Scott Government in continued support of Reciprocity. At a Moosomin Provincial nomination meeting on Dec. 14 a Resolution was passed urging that this policy be maintained as "one of the principal planks in the Liberal platform," while Hon. W. R. Motherwell, Minister of Agriculture, devoted a long speech to the subject with a declaration that "we in the West are now living directly under the Eastern manufacturers and corporate rule." He expressed assured confidence in the ultimate success of Reciprocity and regretted "the cleavage now existing between East and West." Another incident was the renewed effort of Mr. Premier Scott to get a share in the Boundary changes of the period. On Nov. 8th he wrote Mr. Borden pointing to preceding recognition by the Laurier Government of Saskatchewan's right to at least claim a share in the settlement. The succeeding correspondence, as published in 1912, showed that time could not then be found by the new Government at Ottawa for a discussion of the subject.

Opposition Policy: Telephones & Education in Saskatchewan.

The Legislative proceedings give a general view of Opposition policy at this time but it was put in more specific terms before the people by a Conservative Convention held at Moose Jaw on July 7-8. The occasion was important for an attendance of 170 delegates from Prince Albert, Saskatoon, Wadena, Yorkton, Melville, Qu'Appelle, Oxbow, Weyburn, Swift Current, Moose Jaw, Regina and other points and was marked, also, by a practical combination of the old-time Provincial Rights organization and the Conservative party. The Convention was

mainly Federal in its immediate purpose but was based upon the Provincial organization, was presided over by A. B. Gillis, M.L.A., President of the Provincial Conservative Association, was attended by most of the Provincial Opposition members, including Mr. Haultain, and passed a Resolution declaring that success "would be most speedily effected by the union of the Conservative and Provincial parties under one party." It was felt that the present position of the Liberals as to the Provincial lands question, rendered a Provincial Rights party unnecessary. The Resolution Committee (W. B. Willoughby, Chairman) presented a series of Resolutions which was unanimously accepted as follows:

That this Convention record its hearty approval of the general policy of the Conservative Party as announced by our Leader, Mr. R. L. Borden, from time to time in the House of Commons and on the public platform, and, particularly, with reference to the following subjects:

(*a*) The restitution, ownership and control of our public resources to the Western Provinces, thereby placing us upon the same terms as the other Provinces in entering Confederation.

(*b*) Unqualified opposition to the proposed Reciprocity pact.

(*c*) Ownership and control by the public of the terminal elevators.

(*d*) The immediate construction, government ownership and operation by an independent Commission of the Hudson's Bay Railway.

(*e*) Government assistance towards the establishment of the chilled meat industry.

(*f*) The enlargement of the powers of the Railway Commission and the appointment of a Western Board in connection therewith.

(*g*) The appointment of a permanent independent Commission whose duty it will be to investigate and report to Parliament any injustice that exists or may arise out of the operation of the tariff.

(*h*) Reciprocal and preferential trade relations within the Empire.

Unanimous opposition was expressed to Sir W. Laurier's attitude at the Imperial Conference in reference to "proposals for more intimate political and commercial relations within the Empire" and to the supposition that Canada might not stand by the Empire and all its parts, "at all times and whether in peace or war." Little was said about Reciprocity except its formal condemnation but, on account of his own attitude in the matter, Mr. Haultain deemed it wise to decline the Hon. Vice-Presidency—Messrs. R. S. Lake, M.P., and D. J. Wylie, M.L.A., being appointed. Mr. Borden was, of course, Hon. President and Dr. W. D. Cowan of Regina was elected President over H. W. Laird, Regina and Jacob Erratt, Moose Jaw. Mr. Erratt was elected Vice-President, J. T. Bryant of Regina, Secretary, and A. E. Whitmore, Regina, Treasurer. The President of the Provincial Rights Association, J. K. McInnis, was present but took no part in the proceedings and his paper—the Regina *Standard*—was avowedly in favour of Reciprocity.

Speaking to the Regina Conservative Association on Sept. 29, following the Elections in which he had made a few speeches for

the Party, Mr. Haultain said: "We have won in the Dominion contest and I believe we are going to do the same thing in the Province. It is for you to get busy to make a good showing in the Provincial Elections and if you win there it will materially help Mr. Borden in the next Dominion Election." On Oct. 22nd Dr. W. D. Cowan stated that in the coming Provincial contest the Conservative party would run candidates in every constituency. At the close of the year rumours arose again that Mr. Haultain was about to succeed the Chief Justice, E. L. Wetmore, who had reached the superannuation age and wanted to retire. The story appeared in the Liberal press of Dec. 12th and was promptly denied by the Opposition leader while the Conservative organ in Regina, *The Province,* gave a categorical denial to every detail of the rumours.

The important subject of Telephones was not greatly discussed because of the apparent success of Government operation and the continued expansion of the system. In addition to the 492 miles of long distance lines, 18 exchanges and 53 toll offices, purchased from the Bell and Moose Jaw Companies, the Government had, itself, constructed by February, 1911, 1,260 miles of long distance lines, had built 14 exchanges and opened 90 toll offices. Rural telephone lines had been assisted and poles supplied for 3,490 miles of line while 138 rural companies had been organized under the Act with 3,558 subscribers. During 1911 the Service was extended to 2,160 new subscribers with a total number, including rural companies, of 8,995 and a revenue of $240,046. It seemed clear that the experiment of Government ownership, in this particular case, had worked out well.

Meanwhile Education was a subject of continuous and increasing importance. According to figures stated by Mr. Calder in the House on Feb. 2nd the school lands of the Province, set apart by Dominion legislation, comprised two sections in each township, or one-eighteenth of the whole area. As it was estimated that the Province possessed 225,000 square miles or 144,000,000 of acres suitable for occupation this involved a total of 8,000,000 acres for school purposes of which 487,635 acres had, at this time, been sold for $6,809,704. Of this money, held at Ottawa in trust, there was $1,506,868, with payments to the Province of interest at 3 per cent. and certain costs of Provincial administration, totalling $367,031 since 1906. The school district debentures registered, between 1906-1910, inclusive, totalled $3,234,834. The annual Report of D. P. McColl, Deputy Minister of Education, showed a large increase in schools, districts and attendance; total grants for the fiscal year, 1910-11, of $274,781 to Public Schools, $2,738 to Roman Catholic Separate Schools and $388 to Protestant Separate Schools. The average High School salaries for Principals were $1,577 and for Assistants $1,312. The general statistics of 1910 were as follows:

Number of School Districts	2,255
School Districts in operation	1,912
Pupils enrolled	63,964
Average attendance of pupils	33,731
Number of Teachers in Public and Separate Schools	2,672
Boys enrolled	33,356
Girls, enrolled	30,608
Pupils enrolled (rural schools)	39,046
Pupils enrolled (town schools)	24,918
Total Grants to School Districts	$557,299
School Debentures, registered	$628,129
Expended on teachers salaries	$1,208,651
Expended for all other purposes	$2,879,932
High School and Collegiate Institutes	13
Assets of School Districts	$5,918,992
Receipts of School Districts	$4,088,583

The average salaries of Public School teachers varied from $792 for males and $651 for females holding provisional certificates to $1,052 for males and $730 for females holding 1st class certificates in town schools. For Rural schools the provisional rates were $695 for males and $680 for females and the 1st class figures were, respectively, $747 and $703. As to teachers Mr. Calder, Minister of Education, voiced the usual complaint in Toronto on Dec. 6th: " No matter how many we secure they are constantly drifting into other vocations and the women teachers are becoming married." As to the Bi-Lingual question he said that " in all foreign-speaking settlements the School Trustees are allowed to have the native language of the people taught to pupils for half an hour each day. For all the rest of the day the English language must be used. In many schools amongst the foreign-speaking people this privilege is made use of though there is often difficulty in getting teachers who know the other languages."

The University of Saskatchewan, at Saskatoon, commenced the year with classes in Arts and Science and Agriculture, 13 Professors and 2 Instructors and 106 students. It possessed 293 acres as a Campus, 1,040 acres in the College Farm and revenues derived in part from a portion of certain Provincial revenues, a Legislative grant, fees, and the sale of produce from its Farm. The Report of the President, Walter C. Murray, M.A., LL.D., for the year ending June 30, showed gradual progress in the erection of University buildings, steady enlargement of the Staff, the growth of Extension Work in Agriculture, the equipment and cultivation of the College Farm, admission of the University to affiliation with Oxford. Five members were elected to the Senate —Dr. D. Low, A. M. Fenwick, and Rev. C. Young, F. Edwards and Judge Farrell of Moosomin. A. F. Angus retired from the Chairmanship of the Board of Governors and was replaced by James Clinkskill of Saskatoon with W. J. Bell as Vice-Chairman. The Receipts of the year were $501,854 of which $488,000 came from Government sources. The opening of the College of Agriculture had to be postponed till 1912 but the agricultural staff devoted themselves to Extension work while, at the close of the year, the University had 130 students in attendance.

Meanwhile the Denominations were busy erecting other educational institutions. At Saskatoon the Anglicans were constructing Emmanuel College; the Presbyterians subscribed $50,000 for the erection of a Theological Hall in affiliation with the University and the Lutherans applied for a site. The Regina College, a Methodist institution, got organized for work in 1911 with a group of buildings under way which were to cost $1,500,000 when all completed and of which the corner-stone in the Administration building was laid by the Lieut.-Governor on Oct. 25. The institution itself was opened, in other quarters, on Sept. 1 with Rev. W. W. Andrews, M.A., LL.D., as President, a staff of 10 assistants and over 100 students in attendance. There was to be a Ladies College also which was under construction at the close of the year through the generosity of the Massey Estate, Toronto. At Moose Jaw the Saskatchewan College (Presbyterian) costing $250,000 was in state of progress during the year. The following public incidents of 1911 may be mentioned:

Jan. 7.—An important judgment rendered by Mr. Justice Newlands at Regina decides the right of all cities, towns and municipalities within Saskatchewan to impose income, floor-space and property tax on all express companies, banks, loan companies, insurance companies and other corporations or institutions which paid a tax to the Province under the Corporations Taxation Act.

Jan. 12.—It is announced that the Dominion Government has disallowed three Saskatchewan Acts of 1910 incorporating certain Companies of a Trust character.

Mar. 9.—It is stated in the Legislative Assembly by Hon. J. A. Calder, Minister of Education, that patriotism among the school children of Saskatchewan will be fostered by the Government, and that, to this end, the Government would publish a book of patriotic songs to be in the hands of every teacher and to be used in every school.

Dec. 21.—It is announced from Ottawa by the Board of Railway Commissioners that its Order of 1910 as to preparing new schedules of rates between Fort William and Regina, and other points west of Manitoba, to take the place of those now existing which were found to discriminate in favour of Winnipeg, and to the detriment of the cities mentioned, and which was unsuccessfully appealed by the Railway Companies, must go into operation on April 1, 1912.

Dec. 31.—The official appointments for the year were as follows:

Deputy Attorney-General	Thomas A. Colclough	Regina.
Provincial Live Stock Commissioner	Paul M. Bredt	Edenwold.
Member of Provincial Educational Council	James A. Aikin	Saskatoon.
Member of Provincial Educational Council	Thomas H. McGuire, K.C.	Prince Albert.
Commissioner of Neglected and Dependent Children	F. W. B. George	Macleod.
Advisory Council, College of Agriculture	Edward Crane	Baring.

Resources and Development of Alberta.

The illimitable riches of Alberta, with its 253,540 square miles of ranching, agricultural, and mineral lands, its occasional lakes and mighty rivers teeming with fish, its fringe of great forests in the north, its portion of the eastern slope of the Rocky Mountains containing great mineralized areas, continued during 1911 to be brought into public notice, to develop steadily in production and wealth, to become still better known as one more rich reserve in Canada's extraordinary storehouse of nature. Of its physical features the Peace and the Athabasca and the Hay Rivers were the great arteries of the north draining altogether 200,000 square miles of territory. An official publication issued by Hon. Duncan Marshall, Minister of Agriculture, in 1911, stated that "the uniform fertility of the soil cannot be exaggerated. Composts and fertilizers are superfluities the Alberta farmer never dreams of. It is virgin soil in a double sense. It is unexhausted by cropping and undisturbed by stratigraphical displacement or erosion. Marly clay covers almost the whole area varying in depth from a few feet at the Rockies to several hundred feet further west. This is overlaid by a deep, black vegetable mould from a few inches to four and even five feet in thickness, practically free of stones, and an excellent absorbent and storehouse of moisture."

Winter wheat had been successful in the Province during recent years; "Alberta Red" had become well known; and in spring wheat the product of 1909 was 19·98 bushels to the acre compared with 12·8 in Minnesota, 11·6 in North Dakota, 12·8 in South Dakota and 13 bushels in Nebraska. At Edmonton on Aug. 17, 1911, M. S. Booth of the Hudson's Bay Co. declared that the future value of the grain production north and west of that City alone would be $200,000,000 a year; while in Southern Alberta the irrigated area under C.P.R. management had in this year reached a much larger proportion than in the boasted regions of California or Colorado. In December it was stated that this rich area of Bow Valley lands had an average width of 40 miles from north to south and extended from Bassano to Calgary on the west, a distance of 83 miles and from Bassano eastwards for approximately 70 miles. The land lay along the main line of the Railway and was served with both passenger and freight service. The water supply from the Bow River was inexhaustible and would, it was said, furnish for all time a sufficient moisture for the 1,500,000 acres of land under the Company's canal system. When the work then going forward on the central and eastern sections of this undertaking was completed it would mean 3,000 miles of canals and waterways. Meantime, the value of the field crops of Alberta had leaped up from $16,582,000 (Federal statistics) in 1910 to $47,750,000 in 1911. The following are the details of production in the latter year:

Crop.	Yield per Area. Acres.	Total. Acre. Bush.	Yield. Bush.	Total Value. $
Fall Wheat	316,910	25·28	8,011,000	5,993,000
Spring Wheat	1,299,989	21·64	28,132,000	16,260,000
Oats	1,178,410	48·34	56,964,000	15,893,000
Barley	156,418	26·54	4,151,000	1,694,000
Rye	20,659	27·30	564,000	344,000
Flax	93,662	10·39	973,000	1,170,000
Potatoes	22,884	193·03	4,417,000	1,855,000
Turnips, etc.	12,732	300·61	3,827,000	1,110,000
		tons	tons	
Hay and Clover	165,165	1·66	274,000	3,356,000

The Live-stock industry in Alberta has been large and, despite the decline of the ranching interests owing to the advance of wheat and other field crops it has steadily increased. On June 30, 1911, according to Federal statistics, there were 317,000 horses in the Province, 1,100,000 cattle, 179,200 sheep and 149,400 swine, or a total of 1,735,900, as compared with 1,569,353 in 1908. For this industry official statements described the conditions as very favourable—abundance of grasses for pasturage and hay, a dry climate in the cold season which permits animals to be wintered without the cost of stabling, fodder straws with a higher food value than anywhere in the world, and cheap, abundant production of rough grains and roots for feeding. All the Prairie Provinces and British Columbia in 1911 wanted more and more food supplies, dairy products, and everything which Alberta could raise. The shipments of cattle in this year totalled 154,000, horses 25,000, sheep 60,000, hogs 50,000—or a total of 289,000 as compared with 125,000 in 1905. During the year the home market of the Canadian West took most of these shipments.

The Peace River region, to the north of Edmonton, was a fruitful source of speculation and discussion during the year. Grouard on Lesser Slave Lake, Athabasca Landing, Grande Prairie, Spirit River, Dunvegan, Fort Vermilion, became well-known names. The world had learned to some extent what the Peace River country offered in farm and timber lands, natural gas, coal and oil, and the big Railway companies and Banks had commenced to take an interest in these points. The soil of this section of Alberta was a rich black loam with clay sub-soil which agricultural and chemical tests demonstrated to be very productive. The whole country was well watered with a number of small creeks and rivers fed during the summer months by innumerable springs of pure water. Farming was most successful and the High Prairie, Heart River and Big Prairie settlements won at least a Provincial reputation with their crops of wheat, oats, barley and rye. According to Arthur Stringer in *Hampton's Magazine* early in the year: "The Peace River valley is made up of 65 million acres of first class agricultural land, with a wheat-growing capacity approximately estimated at 500,000,000 bushels a year. Not only can these northland plains and valleys grow

wheat but they can grow wheat of the finest and hardest variety. They have done it and they are doing it now."

Transportation was, of course, the great requirement and J. D. McArthur and his associates acquired a charter for Railway extension from Edmonton to Fort George, B.C., where they would connect with the Grand Trunk Pacific; the Alberta Government promised to build or aid a Line to the north and the Canadian Northern Railway wanted to do so and was already constructing in that direction. A great resource of this region was said at the close of this year to have been all staked out—the vast tar-sand deposits in the Fort McMurray and McKay districts estimated to contain the largest supply of asphalt in the world. Very extensive salt fields existed and great unburned pulp-wood areas extended 300 miles along the Athabasca River while mineral possibilities and prospecting were favourable and agricultural lands along the Lower Peace and Slave Rivers large and productive. J. K. Cornwall, M.L.A., told the Canadian Club, Montreal, on Mch. 28th that hundreds of settlers were trekking into this country, and that there were in it 3,500 miles of navigable water with 750,000 horse-power. "The same geological formation that you people are going crazy about in Cobalt runs through that country. All the streams carry gold and there is plenty of iron-ore, copper and huge lakes full of fish of the highest commercial value; enough asphalt to build a boulevard a mile wide from Halifax to Vancouver and also the greatest oil prospect in the known world."

As to minerals the total production of Alberta had increased from $4,657,524 in 1907 to $6,047,447 in 1909, to $8,996,210 in 1910. Coal was almost everywhere in this Province and underlay an area of 16,000 square miles. According to the Federal Department of Mines estimate 8,330,000,000 tons of bituminous and anthracite coal and 81,000,000,000 tons of lignitic coal were available while a Clause of the Dominion Lands Act provided that all coal leases should contain a proviso supplying settlers for $1.75 at the mine. The output of coal in 1910 was 878,011 tons of lignite, 1,896,961 tons of bituminous and 261,785 tons of anthracite. In 1911 the coal strike made a great difference but for the fiscal year ending Mch. 31 the value of the coal production was $3,933,958. The average number of persons engaged in the industry (1910) was 5,818. During 1911 the Northwestern Coal Corporation of Pittsburg, with its huge financial resources, came into Alberta; Dr. H. Ries of Cornell University stated that the only clays in Canada west of Nova Scotia and fitted for the production of pottery or terra cotta, were to be found in this Province; H. Mortimer-Lamb of the Canadian Mining Institute pointed out (May 29) that this meant the founding of a tremendous industry. "Every kind of pottery and sewer-pipe produced can be made in Alberta. The wide range of terra cotta materials will be dug and baked there. Terra cotta is taking the place of lumber in con-

struction in the East; it is becoming yearly more popular on the Pacific Coast."

A Geological Survey report in July estimated 6,600,000,000 tons of workable coal in the Bighorn basin (187 square miles in area) about 140 miles from Edmonton. Railway construction made some progress in 1911 but not as much as was expected. The Government guarantees of 1909 covered the construction of 1,886 miles of branch lines during the next two years but the actual increase, according to Federal figures, in the years ending Mch. 31 was from 1,321 miles in 1909 to 1,494 in 1911. There was much mileage under construction, however, and much grading done. Meantime settlers were pouring into the country which in 1901 had 73,022 of a population and in 1911, 374,663. One estimate for the 1911 immigration was 200,000; the actual number booked for this Province in the year ending Mch. 31 was 44,782. During this latter fiscal year 15,964 homestead entries were made. Miscellaneous statistics may be mentioned as follows:

Aggregate capitalization of Company Incorporations (1911)...	$63,088,600
Similar Incorporations during 6 years	$164,000,000
Insurance Companies' Investments on Jan. 1, 1911	$8,383,000
Bank Branches in Province at end of 1911	207
New Branches in Year	33
Clearing-House Returns	$368,947,851
Municipal Bond Sales of the year	5,650,759
Lumber cut (feet B. M.) in 1910	45,127,000
Exports for year ending March 31, 1911	$365,265
Imports for year ending March 31, 1911	$9,094,726
New Buildings in 1911	$18,849,643

Government, Politics and Legislation in Alberta.

There were no changes in the Provincial Government during 1911 though there were many rumours in that connection; but there were certain additions to the work of individual Ministers when Mr. Sifton on Dec. 20th was gazetted Minister of Railways and Telephones and the Hon. A. J. McLean, Minister of Municipal Affairs. The Sifton Ministry had continued political difficulties to meet, within its own party ranks, and the personal differences between Hon. Frank Oliver and Mr. C. W. Cross, lately Attorney-General of the Province, increased local interest in the Federal conflict. The Railway situation remained conspicuous throughout the year and the Waterways Case attracted attention throughout the country. At a meeting of the Liberal Association in Calgary on Jan. 9th a Resolution was passed expressing confidence in the Government, appreciation of "the wisdom shown by Hon. A. L. Sifton in solving the problems which confronted him," and acknowledgment of "the deep debt of gratitude which Liberals throughout the Province owe to the fearless and upright course taken by the Hon. W. H. Cushing in the crisis through which the Province recently passed." Mr. Cushing, like Mr. Cross, had not been included in the Premier's re-organization of the Government in 1910. The United Farmers of Alberta meeting at Calgary on Jan. 18

decided to ask for Provincial incorporation and an increased grant, to stay out of politics as an organization, to ask further Provincial aid to rural Telephones and for a modification in homestead regulations.

Mr. Premier Sifton addressed a gathering at Viking on Apl. 10 and summarized his political philosophy as follows: "It is not the Government that counts, it is you. You will pay the taxes, you will build the roads, you will develop the country. Yours is the credit and it is all yours. When the Government have rendered what assistance we can give; when we have aided in supplying the details, in building the roads, putting in telephones, and supplying similar needs; when we have taken away the difficulties which lie in the farmers' way, then we have accomplished all a Government can do." A little before this, on Jan. 23rd, he told the Canadian Club at Toronto that the Dominion Government now spent the revenues provided by the Provinces and the latter, in the West, particularly, did not have enough for their own needs. He drew attention to the fact that manufacturers could find a demand and cheap power sufficient to warrant them in establishing industries in Alberta. "Financial corporations and Banks should realize that the million people who live in the three Provinces have proved the West to be no longer a speculation." During the Summer Mr. Sifton went to England to be present at the Coronation. At this time and on his return there was speculation as to the Premier's attitude in the Reciprocity matter which he disposed of on Aug. 16 by saying: "I am an advocate of Reciprocity chiefly because I think it is going to be a good thing for Alberta. I would stand behind any policy which would be of real benefit to our Province." He spoke at several meetings during the Federal campaign and on Sept. 6 supported Mr. Oliver in an Edmonton gathering. Reciprocity would, he declared, give the farmer larger prices, better markets, encourage immigration and help the coal mines. The other Ministers spoke in various constituencies also.

On his return from England another important matter had been dealt with by the Premier. As a result of conversations, and correspondence of an earlier date, with Sir Wilfrid Laurier he was able to announce an apparent change or the probability of one, in Dominion and Provincial policy as to the control of Provincial resources. At Winnipeg on Aug. 10th he said in a press interview: "It has been recognized by Sir Wilfrid that the three Prairie Provinces are entitled to their natural resources, the same as the other Provinces in the Dominion, with the single exception of land fairly fit for homestead purposes without the expenditure of money—which land must be retained for free homesteads in compliance with the immigration policy of the Dominion. The only question of principle left unsettled is how much, if any, of the revenue now allotted the Province in lieu of lands, should be

cut off. This settlement will give the Provinces of Manitoba, Saskatchewan and Alberta all mines, minerals, mineral lands, and royalties, all lumber and timber lands, all lands requiring irrigation, and all water and water-powers now covered by the Irrigation Act."

The correspondence was made public in December and showed Mr. Sifton as first writing the Dominion Premier on Mch. 20th with this introduction: "It is felt, even by those who have strongly supported the Federal retention of the public domain in the past, that the time has arrived in the history of Western Canada when the reasons cited no longer apply." The remarkable growth of the country and the need of money for roads, bridges, telephones, schools and railways necessary for successful colonization, were stated as reasons why a fresh source of revenue was required. His Government, therefore, asked that the administration of lands in Alberta belonging to the Crown should be transferred to the Province with certain exceptions—lands reserved by statute or Order-in-Council, held by Indians, or earned by persons and corporations, grazing lands, swamp lands or those requiring irrigation. He also asked that all mines, minerals, timber and royalties belonging to the Crown should be transferred as well as the control of Provincial waters. As to the past Mr. Sifton declared that the Provincial Government had never considered the existing arrangement final. "It is assumed, as the final triumph of the Federal principle in Confederation, that the several Provinces of Canada would be placed on a basis of equality in all respects, and it is respectfully submitted that by the granting of the request herein stated the principle would be complete in its application." Sir Wilfrid Laurier replied on Aug. 7th in terms which modified and changed the Provincial application as follows —concluding with simply a statement that it was a fair subject for discussion without the Dominion Government being committed to "the acceptance of the principle involved":

> I do not understand you to claim that the Province of Alberta should be given the ownership or the administration of all the public domain in in that Province, but simply of the lands which are not solely agricultural. You must recognize that the Dominion should continue to own and to administer the prairie lands which are immediately available for settlement and which are sought by immigration; but you ask that the Province be entrusted with the ownership and administration of all other lands, and all the resources to be derived therefrom, viz., grazing lands, swamp lands, lands unfit for settlement except by irrigation, all the mines, timber, minerals and royalties belonging to the Crown, and all the waters now included in the Irrigation Act.

Meanwhile, the Conservative Opposition had been hopeful in connection with the dissensions in the Liberal ranks and its press did all that was possible to keep alive any feeling which might exist over the 1910 changes in Administration. The opposing elements were said to include Messrs. Sifton and Oliver and the

Provincial Ministers on the one side and Messrs. Rutherford and Cross of the late Government, with the latter's friends in the Legislature, on the other. Edward Michener, the Conservative leader, did his best to obtain public support. Addressing an Edmonton audience on May 8 he spoke of the time when its population would be hundreds of thousands. "You will become the centre of railroads radiating to the east and west and to the north and south. I believe that the Government to-day is negligent in its duty in not providing you with railroads to the north. It is neither vigilant enough nor enterprising enough. A Commission should be appointed to determine what are the riches of the north country. It would be far better that the country should be opened up by trunk lines and branch railways than that we should at this stage of the Province's development be given a magnificent capital, great and splendid law courts, and other public buildings." From time to time he spoke at other points. There were four bye-elections during the year caused by the retirement of three members and the death of A. J. McArthur in Gleichen. R. B. Bennett, K.C. (Cons.), of Calgary was elected to the Ottawa House while W. A. Buchanan (Lib.) also carried Lethbridge and Dr. Warnock (Lib.) of Pincher Creek won in Macleod during the Federal election. This left three Provincial Liberal seats vacant and one Conservative.

At Strathcona, on Oct. 26, a Provincial Electoral Conservative Association was organized with N. C. Willson as President and C. E. Tighe, Secretary-Treasurer, with a special view to fighting in these bye-elections and of aiding the Opposition generally in organization work. Much public interest was taken in the elections and the candidates were as follows—the first named being Conservative and the last-named Liberal: In Calgary T. M. Tweedie and T. J. S. Skinner; in Gleichen H. W. Riley and J. P. McArthur; in Lethbridge City J. S. Stewart and S. J. Shepherd; in Pincher Creek John Kemmis and J. F. Ross. On Oct. 31st the result was announced as the return of all four Conservative candidates. Mr. Tweedie had a majority of 1,867, Mr. Riley of 306, Dr. Stewart of 182, Mr. Kemmis of 146. The Conservatives were, naturally, jubilant and looked for nothing less than the immediate downfall of the Government. The Edmonton *Journal* and other party papers claimed that the vote showed the people to be opposed to the Reciprocity attitude and general policy of the Government. The Liberals on the other hand alleged that the Calgary result was expected as a matter of course, that in Pincher Creek it was caused by the Government's refusal to help a local railway, that Lethbridge was normally Conservative and that Gleichen was disappointed over not getting a Demonstration Farm.

During these elections the Opposition, and notably the Calgary *Albertan,* made much of certain charges as to Mr. Duncan Mar-

shall, Minister of Agriculture, having taken part, during his Ontario days, in the Ross Government's electoral contests and alleged corrupt manipulation of constituencies. To the *Journal*, on Nov 2nd, Mr. Marshall said: "I know there were things done in those Ontario days, both by Grits and Tories, which were not quite proper but I had nothing to do with them. I was never in any case called as a witness. I was never summoned in connection with any of those cases. As a matter of fact I was not in West Elgin or Waterloo ridings during any time when an election campaign was on." Following these incidents the Conservatives at Edmonton held a meeting on Nov. 15, decided to form a social Club with, however, political principles and work involved, and to ask for incorporation with a capital of $100,000. A site was purchased and preliminary arrangements made. At this time, also, Messrs. Scott and Calder of the Saskatchewan Government were in the capital and held a consultation with Mr. Premier Sifton. In December it was thought certain that Mr. C. W. Cross would shortly—as was the case in the new year—enter the Sifton Government and preparations were made by the Conservatives to contest Edmonton with him—A. F. Ewing being the nominee on Dec. 18.

Meantime, the 2nd Provincial Legislature was called to meet in its third Session and its first in the new Parliament Buildings. The membership included 33 Liberals of whom the followers of Mr. Cross were supposed to number a dozen, six Conservatives, one Independent and one Socialist. It was expected, however, that the Government's Railway policy, when presented to the House, would unite all the Liberals. The opening took place on Nov. 30 with Lieut.-Governor G. H. V. Bulyea officiating in a Speech from the Throne which first described the Chamber wherein the members were meeting as occupying the site of the old Council Chamber of the Hudson's Bay Co., referred in loyal terms to the coronation of King George and Queen Mary and to the appointment of H.R.H. the Duke of Connaught as Governor-General; mentioned the representation of the Province at the Dry Farming Congress held in Colorado and to be held in 1912 at Lethbridge, Alta., and congratulated the Province upon the large number of prizes which had been awarded to Alberta exhibits; stated that the several Demonstration Farms started by the Department of Agriculture were meeting with general appreciation and that it was proposed to supplement this policy with systematic educational instruction in agricultural matters; spoke of the Insane Asylum recently put in operation at Ponoka, in addition to an establishment at Lethbridge, under the direct personal supervision of the Provincial Secretary (Hon. A. J. McLean) as having proved of much reformative and deterrent value; promised a well-considered plan for supplementing railways with good roads, together with an extension of the Telephone

system and legislation regarding further Municipal organization and Hail Insurance; stated that careful representations had been made during the recess to the Laurier Government and, latterly, to that of Mr. Borden as to Provincial control of natural resources and that pending settlement of the question active surveys were being made of water-powers, etc. His Honour referred as follows to Railway matters: "Your attention will be invited by my Government to the general railway situation not only in these northern portions of the Province, where railways are urgently required, but also in the more southern portion where the pressure of immigration has forced settlement out of the practical reach of such railways. An earnest effort will be made to remove all of these disabilities."

The Address was moved by J. L. Coté of Athabasca and W. A. Campbell of Ponoka. In his speech Mr. Coté summed up much in little space: "Municipalities, railways, highways—these few words are certainly the shortest route to the hearts of all Albertans. To every municipality with railways, and to every house with highways, is the aim of our Government." Ontario had been spending $449,000 on Colonization roads, Saskatchewan $300,000 on its roads, and Alberta $200,000! A change in this direction was necessary. Other speakers followed and, on Dec. 5th, the Premier announced in a general way the long-looked for Government policy as to Railway construction. His statements were afterwards said to have been inaccurately given in the press and to have closely followed the terms of a private Bill introduced by J. L. Coté in connection with Canadian Northern projected lines. The proposals appear to have included a line from Athabasca Landing, which C.N.R. construction was nearing, to Fort McMurray—the once expected terminus of the Alberta and Great Waterways project from Edmonton. In addition to this a line would be built from Athabasca Landing in a northwesterly direction along the north shore of Lesser Slave Lake to Peace River Crossing and another from Edmonton to the Grande Prairie country south of the Peace River, into which there had been a large movement of population during the year. The north-eastern part of the Province would be served by a railway from Edmonton to a point near Cold Lake on the eastern boundary. These four lines were intended to open up the whole northland of Alberta to occupation while the connection between the north and south of the Province would be facilitated by the construction of a line running to the eastern boundary from a point north of the C.N.R. main line and another starting from Edmonton in a south-westerly direction and traversing the foothill country to Pincher Creek on the Crow's Nest line. Details were not given at this time as to the plan though it was understood that a Government guarantee of bonds would be the method pursued.

Mr. Sifton also promised a policy of highway construction with a trunk-road built, as a beginning, from Athabasca Landing to the international frontier. For this and other purposes permission to borrow $5,000,000 would be asked. Mr. Michener, the Opposition Leader, followed in a lengthy criticism and moved as an Amendment to the Address: "That this House regrets that the Government has not laid before the House more definite proposals for such a policy as would adequately meet the transportation needs of this Province at the present time and further greatly regrets the failure of the present Government in not taking steps to carry into effect more vigorously the policy with respect to railway construction and expansion—particularly in the western part of the Province." In his speech Mr. Michener reviewed the large expenditures in other and older countries, States, or Provinces, for roads and declared that Alberta's conditions demanded at least $1,000,000 a year to be expended in this connection with, also, large grants for colonization roads in advance of settlement. He urged a comprehensive drainage scheme and deprecated the dead railway policies of the Government with charters granted which did not, he claimed, include control of rates—as in British Columbia, Manitoba and Ontario. He alleged that at the present time over 1,800 miles of railway had been guaranteed by the Government to the extent of $25,343,000 with an additional interest liability, by the time the Bonds matured, of $39,511,600. The three years given for construction were already gone with only a small proportion completed. He deprecated the tying up of public credit with any single Railway, urged an "impartial management of the Telephone system," and the establishment of a Government pork-packing plant.

The ensuing debate was vigorous and wide in its scope. Mr. A. C. Rutherford, the late Premier, counselled caution in the Railway policy; H. W. Riley (Cons.) attacked W. J. Harmer, a Government official, for taking part in politics; W. F. Puffer (Lib.) denounced the C.N.R. and all its works and hoped the Government would not increase that Railway's influence; R. T. Telford (Lib.) urged more attention to rural needs and alleged the expenditure of 65 per cent. of the revenue upon 35 per cent. of the people; A. Bramley Moore, an Independent Liberal, who had recently published a book on "Home Rule in Alberta," deprecated trunk roads running without regard to the real needs of the country, or the nearness of railways, and urged a Civil Service Commission; Dr. J. S. Stewart (Cons.) declared that "a Railway policy on paper and a repentance in the matter of natural resources" would not save the Government in the next Elections; the Hon. Duncan Marshall took the matter of allegations as to his Ontario career boldly in hand, stated that he had worked there as a supporter, chiefly, of the Patrons of

Industry, and added: "If anyone can prove I took part in any election in which there was ballot-stuffing I shall not only leave the Government, but this House, and shall quit politics." George Hoadley (Cons.) asked how the Premier was going to finance his Railway projects. If the C. N. R. did the bulk of the work, under guarantees, as was expected, what would become of the guarantees already pledged for the construction of nearly a thousand miles of road of which only 200 miles were completed? T. M. Tweedie (Cons.) declared that any Railway policy proposed by the Government after the *fiasco* of the Alberta Waterways and Railway project should be first submitted to the people; John Kemmis (Cons.) declared the Province to be over-run with Railway charters but no railways, and denounced policies on paper without practical results; J. K. Cornwall, the Liberal pioneer of the North, expressed satisfaction at the Government policy; the Hon. C. W. Cross supported the Government.

Mr. Michener's motion was finally dealt with on Dec. 11 and the vote against it of 32 to 6 was notable as indicating that the factions in the Liberal party had come together again and that the Sifton Government would now face the Province with a united party behind it. On Dec. 8th Mr. Premier Sifton moved the 2nd reading of a measure authorizing the raising of $5,000,000 upon the credit of the Province. Of this sum $1,000,000 was for trunk roads and $4,000,000 for Telephone expenses and extensions. The Hon. C. R. Mitchell also carried the 2nd reading of his measure constituting rural municipalities in the form familiar to older Provinces. In this connection the House discussed, but refused to include, the principle of "recall" by petition in the election of municipal councils. Dr. A. C. Rutherford piloted through the House the Bill uniting Strathcona and Edmonton and combining the populations and interests on both sides of the River into the basis for one great City. Mr. W. H. Cushing (Lib.) was responsible for the incorporation of the Alberta Sunday School Association which proposed to work amongst all Denominations. The Attorney-General (Mr. Mitchell) presented an elaborate Act establishing the Single-tax system of taxation for the towns of the Province—in the present or the future—and with powers of extension, including resident landowners of any territory adjacent to a town which obtained annexation thereto. "Land shall be assessed at its fair actual value, exclusive of the right of the buildings and improvements thereto. The owner of a special franchise, in addition to an assessment on land, shall be assessed for the actual cost of the plant and apparatus less a reasonable deduction for depreciation." In other directions the whole system of town and city government was re-modelled and defined.

Various questions were answered during the Session. The Premier on Dec. 7th said that the total Debt of the Province would be $14,000,000 when the proposed $5,000,000 Loan was added and that of this $6,000,000 was for Telephones which were paying their own interest. Mr. Marshall, Minister of Agriculture, stated on Dec. 19th that $80,000 had been spent on Provincial publicity work in the past three years with a return of 6,000 emigrants in 1910 and 15,000 in 1911. The Premier also stated (Dec. 15) that the Legislative Buildings to date had cost $1,775,130 and that this had all been paid, while the Telephone system had so far cost $3,821,368, of which $728,358 had been paid the Bell Telephone Company—the indebtedness on capital account being $1,821,368. The Government, on Dec. 5, announced that its guarantees had been endorsed upon bonds of the Grand Trunk Pacific for 193 miles with 195 miles graded and track laid on 104 miles; upon C. N. R. bonds for 470 miles of which 447 had been graded and the track laid on 284 miles and an irregular service maintained on 207. The money obtained on these guarantees totalled $1,614,658 in the case of the G. T. P. and $4,073,984 in the case of the C. N. R.

The Public Accounts for the year ending Dec. 31st, 1910, showed a total Revenue of $5,918,487, including "temporary loans" of $3,404,500, Dominion subsidies of $1,122,728, $30,003 from the Public Works Department, $34,674 from the Agriculture Department and $156,111 from the Dairy Department. The Expenditures included $1,050,304 on Loans, overdraft, and capital account, $193,425 on Civil Government, and $101,609 on Legislation, $606,918 on the Administration of Justice, $704,946 on Public Works chargeable to income, $544,669 on education, $339,331 on agriculture and statistics, $82,412 on hospitals and charities, and $1,149,218 on Public Works chargeable to Capital. There was no Budget speech during the calendar year, but early in 1912 Mr. Premier Sifton delivered one which showed a surplus on Dec. 31st, 1911, of Assets over Liabilities—$7,733,579 to $7,293,333. In the former were included bridges and public buildings. A surplus of $546,720 was anticipated for the year 1912. The House adjourned into the New Year on Dec. 20th after passing the Loan Act, a measure creating a Department of Railways and Telephones and a Department of Municipal Affairs, and Bills incorporating the Empire Club of Edmonton, defining the speed and operation of motor vehicles, etc. The question of granting the suffrage to women was discussed but no action taken. The following incidents of the year may be mentioned:

Feb. 3.—Perhaps the most important judgment in Western Canadian affairs of recent years is delivered by the Judicial Committee of the Privy Council—one which settled the legality of the C. P. R. tax exemption in the Prairie Provinces. The C. P. R, as

respondents in the case, win all along the line, and the decision goes even further than was anticipated when the suit was entered by the Province of Alberta as a test case, with the Attorney-General of Saskatchewan intervening. The claim was that the C. P. R. exemption from land taxes was illegal, and if not illegal it should run 20 years from date of the granting of the exemption by the Parliament of Canada. The C. P. R., on the other hand, claimed that the exemption was perfectly legal and dated from the time of the selection of the land and the issuing of patents thereto. It was held by the Judicial Committee that unoccupied C. P. R. lands were not taxable until 20 years after the actual grant of letters patent to the settlers, even should there be a delay of many years on the part of such settlers in taking out these letters-patent. It was also held that the C. P. R. lands, sold on the instalment plan, were not taxable until all the instalments were paid.

April 1.—The report of John Stocks, Deputy Minister of Public Works, shows the construction of roadways into Grande Prairie and Peace River country; the collection of $272,887 under the Local Improvement and Assessment Acts; the Government ownership of 6,115 miles of long distance and rural telephone lines, with service to 10,571 subscribers.

May 19.—It is announced that Demonstration Farms will be established by the Department of Agriculture at Medicine Hat, Claresholm, Olds, Sedgwick, Vermilion, Stony Plain and Athabasca Landing.

Dec. 7.—The Premier tells the House that John A. Reid, the well-known Government official for many years at Regina, has been helping him for some months as Deputy Provincial Treasurer, etc., in consequence of the retirement of M. J. McLeod, but would accept no remuneration.

Dec. 31.—Provincial appointments of the year include the following:

Deputy Provincial Secretary.	Edward Trowbridge ...	Edmonton.
Board of Governers, University of Alberta	A. G. Harrison	Edmonton.
Deputy Attorney-General ..	Lewis F. Clarry	Edmonton.
Deputy Minister of Railways and Telephones ...	W. J. Harmer	Edmonton.
Deputy Minister of Municipal Affairs	John Perrie	Edmonton.

The Alberta and Great Waterways Railway Question: Provincial Education.

This question, involving the desire of a Province to escape from what was considered an unpopular and unprofitable contract, the earnest wish of the people of the north for some kind of Railway connection with Edmonton, the possession by the Banks of millions paid into their care as the product of Provincial guaranteed bonds in this connection, was a complicated legal problem of 1911 as it had been the chief political problem of 1910. It was understood at the beginning of the year that the Morgan interests of New York had been associated with those who originally floated the bonds to build the Alberta and Great Waterways Railway into the far North and that they and the bond-holders in England thought the money should revert back to them if not used for the purpose intended. The Sifton Government's policy, after

Legislative reversal of its predecessor's action, was to use this money for other and general purposes of Provincial development; the Royal Bank of Canada, which held most of the money, contended that it had no right, under the circumstances, to pay it out to anyone.* On Jan. 22nd W. R. Clarke of Kansas City, the original promoter, appealed to the American State Department for protection in the matter.

In his appeal he stated that the Railway was to have been built from Edmonton in a north-easterly direction to Fort McMurray and that the Provincial Government, then led by Dr. Rutherford, enacted legislation guaranteeing 5 per cent. interest on the bonds to the extent of $20,000 a mile and $400,000 for terminals. The Company was authorized to issue bonds and the work of construction was to begin within a year and to be completed within four years. All moneys realized by the sale of the bonds were to be paid into Banks, approved of by the Government, to the credit of a special account in the name of the Treasurer of the Province. Mr. Clarke stated that he then made an arrangement with J. S. Morgan & Co., of London, whereby that firm agreed to take $7,400,000 of the bonds at par. Mr. Clarke's brother, Bertrand Clarke, then organized the Canada West Construction Co., which contracted with the Railway Company to build the road. For this it was to receive the net proceeds of the $7,400,000 bonds issued. J. S. Morgan & Co. took the bonds as per agreement and $6,000,000 was deposited in the Royal Bank of Canada, $1,000,000 in the Union Bank and $400,000 in the Dominion Bank.

Then came the political disturbance of 1910, the overthrow of the Rutherford Government and the new Premier's decision to cancel the whole project and arrangement on the ground of the Company having defaulted in the payment of interest. Following these events the new Government found that it could not touch the moneys involved without suit, which was duly entered. On June 6th, 1911, it was announced that claims for damages totalling $250,000 against the Government had been filed by the Railway and Construction Companies involved, a claim of $398,000 by the Royal Bank of Canada for reimbursement of moneys paid out in connection with the project and for accrued and still accruing interest. The Empire Supply Co. also presented a statement of $121,796 for railway supplies with other small claims; the total of alleged liabilities was $3,500,000. The case of the Government against the Royal Bank came before the Supreme Court of Alberta on Oct. 8th, with E. P. Davis, K.C., as the Government's chief Counsel, assisted by W. L. Walsh, K.C.; R. B. Bennett, K.C., M.P., for the Bank; and J. H. Moss, K.C., and Frank Ford, K.C., for the Companies.

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* NOTE.—See THE CANADIAN ANNUAL REVIEW for 1910.

Amongst the witnesses called were S. B. Woods, Hon. A. L. Sifton, A. C. Rutherford, ex-Premier, and many others. The Province rested its claim on the Act of the Legislature of December, 1910, which specified defaults as to construction and payment of interest on the part of the Company, and declared that the bond receipts should become part of the general revenue of the Province. The Company denied that there had been any default in any of these particulars and claimed that if there had been it was due to the action of the Province itself. The Bank alleged that the claim of the Province was an undue interference with business transacted under Federal charter and that the $6,000,000 was not, in fact or in law, situated in the Province. Mr. E. P. Davis, for the Province, insisted that the Legislature was as powerful in its own sphere as the Imperial Parliament. The Legislature had dealt with property and civil rights which were clearly within the Province's jurisdiction. Whether the Legislature was right or wrong in confiscation of the Railway funds, so as to protect them from being squandered, was for the electors to say. If the Province wished it could even have repudiated the bonds. On Nov. 6th, Mr. Justice C. A. Stuart announced his decision in this important case, with the statement that he had done so hurriedly because it was presumably going on to the higher Courts and the Privy Council and should be facilitated rather than hindered in its progress. In his judgment he held the legislation of the last Session of the Provincial House to be effective and declared the Province to have the power to collect the $6,000,000 on deposit in the Royal Bank in the name of the A. & G. W. Co., and the $540,000 already paid into Court by the Union and Merchants Banks, together with accumulated interest. At the close of the year an appeal was made to the Borden Government at Ottawa to disallow the 1910 legislation of the Sifton Government. This, it may be added, was refused in the succeeding year.

Education during 1911 continued to demand and receive close attention from the Minister (Hon. C. R. Mitchell) and his Deputy, D. S. Mackenzie. The increasing population, extension of railways and consequent growth of villages and towns, were steadily adding to the requirements from the Department. The Deputy's Report for 1910 stated that school debentures had been issued for $1,000,000 and that the rural pupils who, in 1905, had numbered 13,619 were, at the end of 1910, 29,835 in number, and the urban pupils, respectively, 10,635 and 25,472. Average salaries, he stated, had risen for male teachers holding first-class certificates from $741 in 1905 to $1,092 in 1910, and for females from $615 to $749; for male teachers with second-class certificates the increase was from $620 to $748 and for females from $572 to $684. The Statistics of the years 1909 and 1910 were as follows:—

	1909.	1910.
Number of School Districts	1,250	1,501
Number of School Districts having Schools in Operation	970	1,195
Number of Departments in Operation	1,323	1,610
Number of Pupils enrolled for year	46,048	55,307
Average attendance of Pupils	22,225·06	29,611·45
Total grants paid to School Districts	$262,106	$317,411
School debentures authorized	$978,550	$1,027,892
School debentures registered	$975,950	$742,725
Amount expended on School buildings	$769,210	$1,062,986
Amount expended for Teachers' salaries	$758,815	$908,045
Paid on debentures and notes—including interest	$818,910	$1,001,206

The University of Alberta had a year of steady progress. In March the following Senators were elected: A. C. Rutherford, LL.D., M.L.A., Strathcona; E. T. Bishop, H. C. Taylor, George Harcourt, James McCuaig and Dr. W. D. Ferris, of Edmonton; P. J. Nolan, Calgary, Dr. O. Boyd, Medicine Hat, W. F. Galbraith, Lethbridge, F. A. Morrison, Vegreville, Trenholme Dickson, Macleod. On May 16th the second Convocation was held and eight degrees conferred. There were 129 students in the 1910-11 Session, 15 Professors on the Staff, and 20,000 volumes in the Library. The University of Calgary obtained its charter during the year, its energetic promoter, Dr. T. H. Blow, obtained from many sources the pledge of over $1,000,000 endowment, and of this $150,000 came from the City and $25,000 from Lord Strathcona, while W. J. Tregillus gave a site of 160 acres and $50,000 to endow a Chair. There were 760 acres of land obtained altogether. Mount Royal College (Methodist) opened at Calgary during the year with Rev. G. W. Kerby as President; a Presbyterian College at Strathcona appointed Rev. Dr. S. W. Dyde Principal and he started to obtain $100,000 local endowment; Alberta College, Strathcona (Methodist), opened its new $130,000 building on the University grounds; Calgary College obtained $147,000 toward an Endowment fund, and a Scandinavian College was started at Camrose. Dominion official figures stated the Province to have 2,400,976 acres of School lands with 4,594,525 acres unsurveyed.

IX.—BRITISH COLUMBIA AND THE YUKON.

Resources and Development of British Columbia

The year 1911 was one of remarkable prosperity in this Province—the banner year in its history. In Railway expenditure and construction, in the sphere of mining operations, in the building records of its cities, in the lumber industry, despite United States competition, in agriculture and fruit-raising, in public revenues and public confidence, there were favourable and satisfactory conditions. In his Budget speech the Minister of Finance had for years reviewed the conditions of Provincial industries and estimated, as closely as possible, the returns realized from each. The Hon. Price Ellison, in his statement of Feb. 24th, 1912, described the progress of this and the precedent year as follows:—

Product.	1910.	1911.
Manufactures	$35,000,000	$45,000,000
Mining	26,183,505	23,211,816
Timber	17,160,000	24,823,000
Agriculture	14,399,090	20,837,893
Fisheries	8,000,000	11,000,000
	$100,742,595	$124,872,709

The population of British Columbia had grown from 178,657 in 1901 to 392,480 in 1911, or 119 per cent.—Vancouver having a growth in that period of 283 per cent.; the immigrants destined for the Province in the year ending Mch. 31st, 1911, were stated at 54,626; the aggregate capital of new Incorporations during the year was $194,377,500, and the new Bank branches opened numbered 43, while the Clearing-house returns were $678,414,-170; the Municipal bond sales totalled $9,446,314 and the new Buildings under construction were valued at $21,845,657, or an increase of 40 per cent. over 1910; the Exports, in the Dominion fiscal year 1911, were $23,016,655 and the Imports $38,692,539; the Railway mileage of the Province (Mch. 31) was 1,841 and the construction greater during the ensuing months than in any similar period in Provincial records. Work had been in operation upon the Grand Trunk Pacific, the Canadian Northern, the Kettle River Valley, the Kootenay Central, the Vancouver, Victoria and Eastern, and the Esquimalt and Nanaimo lines. Much of this was grading and preliminary in its nature. On Vancouver Island, however, the first sod was turned on the Island section of the C.N.R. on Feb. 18th, and on Dec. 20th the first through train from Victoria to Alberni was run upon the C.P.R.'s Esquimalt and Nanaimo line. In this Island part of

the Province, alone, it was estimated (*Colonist,* Dec. 24th) that during the ensuing five years $30,000,000 would be spent on Railway construction, $15,000,000 on the establishment of industrial enterprises, $25,000,000 on private buildings, and $24,000,000 on public works and buildings.

As to the great industry of the Province—Mining—there was a reduction in the product of the year which Mr. E. Jacobs, a leading local authority, explained in the press of Jan. 1, 1912, as follows: "Two main reasons may be given for the seeming retrogression—one, the suspension of the production of coal and coke at the Crow's Nest Pass collieries, consequent on a strike of the colliery employees, and the other, the continuance of a lack of ore concentration and railway transportation facilities for the several silver, lead, and zinc mines of the Slocan district that were deprived of these essentials to production when, in the summer of 1910, forest fires destroyed surface buildings and plants at the mines with trestles and bridges along half a dozen miles of the Kaslo and Slocan Railway." The production of 1910 totalled $26,377,066, as compared with $24,443,025 in 1909 and $23,851,277 in 1908, and despite the difficulties of 1911, the total was $23,211,816, or about the same as 1908. The entire mineral production of the Province up to and including 1911 was $397,409,466, of which $123,000,000 was coal and coke and $137,000,000 gold. The three-year statistics were as follows:

	1908.	1910.	1911.
	$	$	$
Gold, placer	477,000	540,000	468,000
Gold, lode	4,924,090	5,533,380	4,652,465
Silver	1,239,270	1,245,016	972,946
Lead	1,709,259	1,386,350	1,113,405
Copper	5,918,522	4,871,512	4,890,100
Zinc	400,000	192,473	127,400
Coal	7,022,666	9,800,161	8,522,500
Coke	1,552,218	1,308,174	465,000
Other Materials	1,200,000	1,500,000	2,000,000
Totals	$24,443,025	$26,377,066	$23,211,816

The points of progress during the year were the activity prevailing in parts of the Slocan district, notably in the vicinity of the Slocan Lake silver-lead mining; in Rossland Camp at two or three gold-copper mines; in the Boundary at the large copper mines of that district; in the Hedley camp, Similkameen, and about Princeton; in the development of the coal resources of a part of the Similkameen district. The betterments at the Smelting works were also noteworthy as well as the improvement of facilities for the conveyance of ore from the mines to the smelter. According to figures made public in 1910, D. B. Dowling, of the Geological Survey, Ottawa, estimated the aggregate area of coal lands in this Province at 1,351 square miles, containing 40,221 million tons, of which 61 millions were anthracite, 39,674 millions bituminous and the balance lignite. To this, in 1911,

he added the conclusion as to Vancouver Island that there were five square miles of coal area there with 9,000,000 tons of bituminous coal of good grade. There, also, the Western Fuel Co. had its largest recorded production in this year; the Nicola Valley Coal Co. of the Mainland increased its output greatly, and in every direction there were indications that but for the Coal strike the total product would have been greatly increased. In the Skeena country of the Mainland discoveries were made and about 600 square miles staked during the year but nothing much could be done without transportation facilities. G. S. Malloch, of the Geological Survey, said of this region that "the coal-measures, so far as known, have a north-westward extent of at least 70 miles and a width at the southern end of 30 miles. The sediments have a thickness of upwards of 3,000 feet but contain coal in commercial quantities near the top and bottom only, though there are a few thick seams in the intermediate beds." On Graham Island prospecting was done and large discoveries alleged but no coal was actually mined.

Agriculture during the year was still in the state of having a local demand far in excess of the product. The home product of 1911 was 20 millions, while the import of agricultural produce from the other Provinces and the United States was $14,709,854—an improvement over 1910, however, when the totals of the local and the imported product were similar in amount. Transportation was, of course, still the great difficulty in making fertile valleys amongst the mountains productive, but progress was being made and the recorded value of field crops in 1911 was $1,290,000 of which $196,000 was in wheat and $997,000 in oats. As to this subject W. E. Scott, Deputy Minister of Agriculture, said of one region only on July 28th: "The people of British Columbia possess in the wonderland of the Columbia Valley a veritable Garden of Eden waiting the husbandman's attention and containing from 800,000 to 1,000,000 acres of unsurpassable agricultural lands girt about by mountain scenery of incomparable grandeur—and with the promise, too, of immediate and exceptionally good transportation facilities." The Live-stock of the Province was valued at $2,571,865 at the close of 1910, the Dairy product of that year was $3,645,405, the fruit and vegetables grown were valued at $1,939,110, the hay was worth $3,947,530. It was estimated by A. S. Goodeve, M.P., at the Forestry Convention (Jan. 18) that British Columbia had at least ten times the agricultural area of Japan, which produces 22 million bushels of wheat a year, and that the cultivated orchard area had grown from 7,000 acres in 1901 to 100,000 in 1911.

According to the Forestry Commission's Report, the merchantable timber area of the Province at this time was 15,001,000 acres, with a stand of 192,050,000,000 feet B.M. There were

about 50 billion feet more under Dominion control in the Railway belt. The former area divided itself naturally into the timber west of the Cascade Mountains, or Coast timber, and that to the east, or Mountain timber—the trees of the former being large with dense under-growth and much moisture. Fires were not so readily started in this region but were apt to remain dormant for long periods or burn slowly through the under-bush. In the Provincial war against this fire evil, the Government had increased its expenditure from $16,000 to $185,000. The timber policy of the Government was defined by A. C. Flumerfelt (July 23) as based upon these principles: (1) No alienation of the peoples' forest; (2) absolute reservation of a fair share of the unearned increment on Crown timber; (3) partnership between the Government and the lumberman in the profits of the lumbering industry; (4) the judicious holding in reserve of forest areas that can be thrown into the market should any stumpage-holding monopoly threaten the Province. As to this general condition the Hon. W. R. Ross, Chief Commissioner of Lands, told the people at North Vancouver in June: "Here is your forest property bringing you in 2½ millions dollars a year already, and going to do much better than that in the years to come. And these forests of yours are needed also for the prosperity of your agricultural sections, to steady your stream flow and give you irrigation, to improve your climate, and to bring and support the population that makes your cities grow and your merchants prosperous. And what are you doing to protect your forests? Forest property has been treated and is still being treated with shameful and hardly-believable neglect. Individual carelessness of an hour can counteract all the good a Government could do in years."

The timber cut in 1911 was 1,060,000,000 feet, and upon a much-discussed point in this connection, W. A. Anstie, Secretary of the Mountain Lumber Manufacturers' Association, wired to A. S. Goodeve, M.P., on Dec. 5th, that: "Mountain manufacturers emphatically deny the existence of a combine or anything approaching one, and would welcome a full investigation by an independent Commission which would establish beyond question the absolute freedom of competition in the wholesale market for British Columbia lumber, as well as the fact that the wholesale price is too low to return to the manufacturer adequate profits on his product. Mountain mills have been closed down and logging operations largely suspended because of the impossibility of the B.C. manufacturers meeting the slaughter prices of the American manufacturer."

Since 1876 the Fisheries of British Columbia had yielded $138,000,000; in 1910-11 the product was $9,163,235. During the year the British Columbia Fisheries, Ltd., organized by Sir George Doughty, continued active development work on the

Pacific Coast and the Salmon pack of the season was stated in the press of Dec. 31st to total 948,965 cases. Other incidents of the year included the growing prominence of the Queen Charlotte Islands, as to which *The News,* of Charlotte, waxed eloquent on Jan. 7th: "Before us are the rolling waters of the Pacific Ocean, behind are the fertile valleys of farmlands, underlaid with vast wealth of bituminous coal and covered with a forest of spruce, hemlock, yellow and red cedar, whilst the mountains to the south and to the west contain treasure vaults of vast wealth in gold, copper, and other precious metals." Everywhere in the Islands was progress, activity, settlement and production. A group of Montreal interests, headed by C. H. Cahan, K.C., acquired one of the larger water-powers in the vicinity of the G.T.P. terminus and prepared to organize the Prince Rupert Hydro-Electric Power Co., Ltd., with $5,000,000 capital; the J. H. Welsford Co., of Liverpool, acquired control of the Union Steamship Co., operating from Vancouver, while large London interests, headed by Lord Glenconner (Sir E. Tennant) acquired the financial business of Mahon, McFarland and Proctor in Vancouver; C. G. Cowan, a well-known rancher of Kamloops, told the press on May 3rd that British Columbia investments were increasingly popular in London and that a syndicate of British noblemen, whom he represented, had recently put $1,000,000 into Provincial interests; J. Norton Griffiths, M.P., told the Vancouver papers on Nov. 29th that he regarded the portion of the Peace River region which ran into British Columbia as "one of the greatest assets of the Province" and as deserving direct and quick railway communication; in this region and in the Alberta portion, early in the year, Winnipeg, New York, Chicago and London syndicates were stated by the Winnipeg press to have purchased an area totalling 1,746,520 acres; a party of United States capitalists stated (July 10) that they had an area of immense iron-ore deposits on Vancouver Island, in the Comox district, and that development work would commence at once; it was asserted in October that E. H. Heaps & Co., of Vancouver, had obtained $2,000,000 of British capital to extend their sawmill interests, and that Sir John Barker, with other British capitalists, had acquired 27 miles of timber land at Cowichan Lake, on Vancouver Island, and were ready to purchase other areas there or on the mainland.

Government and Politics in British Columbia

There was no change in the *personnel* of the Government during 1911 although, on Mch. 10th, the Hon. Thomas Taylor added to his duties as Minister of Public Works the appointment as first Provincial Minister of Railways. The functions of the new Department, as outlined in recent legislation, were to include not only the chartering and control of railway companies but many of the responsibilities charged to the Railway

Commission in Dominion affairs. Of Mr. Taylor *The Colonist* said on the following day: "A quiet, unassuming, conscientious and practical business man, he has brought to the administration of his very important Department a large store of shrewd commonsense and useful experience and, in the comprehensive development of a well-considered policy of good roads for British Columbia, has already built up for himself an enviable fame."

On Jan. 26th Mr. Premier McBride received a large deputation from Vancouver Island asking for special road grants as an aid to development work, and he promised to do all that was possible. At the turning of the first sod of the Canadian Northern Railway on the Island by the Lieut.-Governor (T. W. Paterson), Mr. McBride, on Feb. 18, eulogized the work of this great corporation and the splendid future before the Island itself. A little later (Mch. 13), the Premier addressed, in Victoria, the local Federation of Labour. The workmen must be protected, but so must capital if it was to be obtained and kept in the Province. The Provincial University policy was strongly defended: "It is our determination that it shall be a People's University. Technical as well as scientific and professional education will be provided. The technical branches will be free while the other departments will be operated at the least possible cost. When the University opens it will be one of the finest in the Empire. And it is to be maintained, not by private subscription or endowment, but by the people, through the land grant which has been set aside for that purpose. The technical schools will be given the closest attention and in addition there will be agricultural and mining schools. It will be a replete and concrete assembly of all recognized branches of higher education in the confines of the Province."

To the Trades and Labour Congress of Canada, and in reply to certain demands made by it upon the Provincial Government, the Premier replied over his own signature, at length and in specific terms, on Mch. 14th. Weekly payment of wages had been considered but found impracticable; the Government did not care to abolish the property qualification for Mayor and Aldermen; no system of Government pensions to workmen could be introduced that was not applicable also to other classes; the selection of Coroners' juries must remain in the hands of the Coroners; the appointment of Inspectors under the Coal Mines Act must remain with the Government; Government ownership of coal mines and telephones was not contemplated at the present time by the Government. Other requests were answered by an explanation of existing conditions. At a meeting of the Vancouver Island Development League, on Mch. 15th, Mr. McBride dealt with road construction and progress on the Island and the Government's determination to aid construction throughout the Province to the fullest possible extent. He was able to announce

the approaching settlement of the Songhees Reserve question. Word had just come from Ottawa that all arrangements had been most satisfactorily completed and all that now remained was their enactment into Dominion law, which would be done at the earliest possible moment. The Provincial estimates, it may be added, had already included $750,000 for the acquisition of these famous Indian lands in the heart of Victoria and for the purchase of a new Reserve for the Indians. On Apl. 4th, following, Chief Michael Cooper, of the Songhees Tribe, formally ratified and executed the bargain and settlement of this long-pending problem, with the Premier of the Province, and received payments totalling $421,552.

On June 10th, in connection with the Premier's visit to London for the Coronation, a representative banquet was given Mr. McBride, with Mr. J. H. Turner, Agent-General for British Columbia, in the chair and Lord Strathcona, Lord Aberdeen, Mr. Winston Churchill, and Hon. W. J. Bowser amongst the speakers. In his speech, the guest of the occasion stated that there were 1,000 people from British Columbia in England to join in the Coronation demonstration. He eulogized or sketched the timber, fruit, minerals, deep-sea fisheries, smelters, climate, scenery and sport of his Province which, in the year 1911, was having a development "unparalleled in its history." Following his arrival at home, Mr. McBride made a trip through the interior of the Province and held meetings at Moyie, Cranbrook, Fernie, Hosmer, Nelson, Rossland, Arrowhead, Revelstoke and Kamloops. It was a campaign against Reciprocity and in support of Mr. Borden—for whom on Sept. 19th the Premier stated success to be certain in his Province whatever might happen elsewhere. Messrs. W. R. Ross, Thos. Taylor and W. J. Bowser took part in these and other meetings. Mr. McBride was understood to have declined a seat in the ensuing Borden Cabinet.

Following the accession of the new Government to power at Ottawa, Messrs. McBride, Bowser and Ross went to the Dominion capital to present once more the various claims which the Laurier Government had so steadily refused to grant or recognize. They were in Ottawa on Nov. 6th, and besides the general question of better financial terms for the Province and the removal of the double jurisdiction difficulty in the Railway belt of the Province, Mr. McBride stated that there were a number of minor matters touching fisheries rights, Indian reserves, wharves and similar public works, river and harbour improvements, and the ever-vexed question of Asiatic immigration. With the Ministers was Mr. R. E. Gosnell, a well-known authority on British Columbia history and conditions. No announcement as to results was made, though it was understood that a Commission would be appointed by the Provincial Government to report upon the issues involved in its Better Terms appli-

cation, and the Premier stated at Victoria, on Nov. 23rd, that all questions at issue were on "the eve of satisfactory solution." In Montreal, Mr. McBride had interviews with Sir Thomas Shaughnessy and Sir William Mackenzie and, as to the latter, said: "He is determined to press to completion his work in this Province and he assures me that in very little more than two years—if so long—Canadian Northern trains will be running from the West coast of Vancouver Island clear through to Atlantic ports."

The 5th annual Convention of the Provincial Conservative Association met in New Westminster on Nov. 24-25, and amongst the Resolutions passed were the following: (1) Indicating the revolutionary influence of the Panama Canal completion in 1915 and urging the Dominion Government to carry out such work at all the points on the coast as shall ensure the Dominion of Canada being fully enabled to participate in the enormous benefits that must accrue therefrom to every part of the Continent which has placed itself in a position to take advantage of the opening of the said Canal; (2) suggesting the organization of a Provincial Department of Immigration and a Ministry of Mines; (3) declaring it highly desirable that a Canadian national highway should be built from the Atlantic to the Pacific and that the Provincial Government should co-operate with the Dominion Government, by increasing and aiding subsidies for new colonization roads and connection with already existing highways; (4) urging construction of a line of railway from Vancouver to the Peace River region and railway connection between Vancouver Island and the Mainland; (5) asking the appointment of a Commission to study the silver, lead and zinc industries; (6) declaring that Asiatic immigration should be altogether eliminated and fishing licenses given only to white men; (7) asking for a Royal Commission to inquire into the high cost of living and for a duty on United States fruit equal to the American duty; (8) requesting settlement of the water rights question and of the Railway belt land issue and suggesting the appointment of a Telephone Commission. During his address at the Convention, Mr. McBride stated that a comprehensive plan for railway lines was being developed so as to tap additional resources and bring settlement to the agricultural valleys.

During the year progress was made in the completion and extension of the Parliamentary Buildings at Victoria under the supervision of F. M. Rattenbury, the original architect, and with $150,000 of a preliminary vote; the gradual evolution of the Canadian highway idea proceeded and the route through the Province was outlined at the close of the year by W. W. Foster, Deputy Minister of Public Works, as running from Alberni to Victoria (*via* Nanaimo), Vancouver, Westminster, Hope, Princeton, Rossland, thence to Trail, crossing the Columbia by the

THE RIGHT REVD. OLIVIER ELZEAR MATHIEU, D.D., PH.D., LL.D., C.M.G.

Appointed (1911) 1st Roman Catholic Bishop of Regina.

THE REV. ROBERT PORTER MACKAY, B.A., D.D.

Elected (1911) Moderator of the General Assembly, Presbyterian Church in Canada.

Bridge in course of erection and *via* Summit Creek to Creston, thence following the main trunk road into Alberta; the action of the Provincial Government in raising the price of Crown lands to cash purchasers from $2.50 and $5.00 to $5.00 and $10.00. Up to a few years ago the lands were divided into three classes and were sold at $1.00, $2.50 and $5.00 per acre. The McBride Government abolished the third class and no land was thereafter sold for less than $2.50 per acre. A further change was expected in view of the steady appreciation in the value of farm land. A Royal Commission on Taxation, composed of Hon. Price Ellison, Hon. A. E. McPhillips, W. H. Malkin and C. H. Lugrin was appointed on Sept. 14th and, after travelling thousands of miles and touring a large portion of the interior, they reported early in the succeeding year. Apart from Government policy, there were a number of incidents which can only be briefly mentioned:—

Feb. 10.—The Synod of New Westminster Diocese approves the proposal to establish an Anglican College to be affiliated with the proposed Provincial University.

Feb. 21.—An Address and Testimonial are presented to Mr. John Herbert Turner, Agent-General in London, by the united Legislature of British Columbia.

May 10.—Correspondence is published in the Victoria press showing that J. H. Hawthornthwaite, Socialist member for Nanaimo in the Legislature, had been instructed to retire by his "Local" and had failed to do so. The latter body thereupon expelled him and warned all Socialists and members of "the revolutionary working class" against him. He was afterwards reinstated by the Provincial Executive.

June 30.—The statistics of British Columbia schools for the year ending at this date are as follows:

Number of School Districts	211
Number of Teachers (Male 323, Female 856)	1,179
Total number of pupils enrolled (Boys 23,277, Girls 21,848)	45,125
Number of High School Pupils	1,988
Provincial Government Expenditure on Education	$1,001,807
Expenditure by Municipalties and Cities	$1,639,714

June 30.—The enrolment during 1910-11 in the McGill University Colleges at Vancouver and Victoria totals 180, with 152 at the former place and 28 at the latter.

July 21.—The Report is published of Mr. Justice Denis Murphy's inquiry, under Dominion appointment, into alleged Customs irregularities at the seaports of British Columbia. It exonerates the Hon. W. Templeman, Minister of Inland Revenue, from complicity in the matter, and charges T. R. E. McInnes and Gordon Grant, of Vancouver, as being guilty of intrigue with Chinese conspirators.

July 17.—On this and preceding dates the Victoria *Times* (Lib.) attacks the Government for the reversal of an Order-in-Council of April 3, 1911, by which the Province was said to have, in the case of the Fort Fraser lands, lost nearly half a million dollars. Elaborate statements as to the location and sale of these 42,800 acres of land in Ootsa Lake and Francois Districts are given. The point lies in the question of whether these lands are second-class, as the Government states, or first-class, as *The Times* alleges.

July 30.—The Provincial Librarian (E. O. S. Scholefield) completes arrangements for taking over the well-known historical library of Mr. Justice Martin—a splendid collection covering the exploration of Western Canada. A little earlier in the year A. B. Ferguson, of Savona, had presented the Library with a number of MSS. and documents of early days. On Feb. 28 Mr. Scholefield had issued a valuable Report as Provincial Archivist.

Dec. 9.—Teja Singh, of Vancouver, addresses an audience in Montreal on the British Columbia restriction of Hindu immigration, and, especially, upon the refusal to admit wives and families of resident Hindus. Supported by Dr. Sunder Singh and Rajah Singh a vigorous campaign is maintained in Eastern Canada, a Petition presented to the Government, and various meetings addressed in Toronto and elsewhere. The complaints presented are against (1) a regulation preventing Hindu wives and children of residents from entering the country; (2) a regulation preventing entry except by one continuous journey from the country of origin (there being no continuous line of travel); (3) an entry head-tax of $200; (4) restrictions on Hindu students, merchants and tourists.

Dec. 14.—The Hon. Richard McBride unveils at Vancouver a Statue of the late David Oppenheimer, Mayor in 1899-1902.

Dec. 19.—The Victoria *Times* (Lib.) claims that the ultimate annual interest liability of the Province under the C. N. R. contracts will be $3,410,000.

Dec. 31.—The following Provincial appointments were made during the year:

Police Magistrate and Juvenile Court Judge	H. C. Shaw, K.C.	Vancouver.
Police Magistrate of Revelstoke	James H. Hamilton	Revelstoke.
King's Printer for British Columbia	W. H. Cullin	Victoria.
Provincial Superintendent of Insurance	Ernest F. Gunther	Toronto.
Deputy-Minister of Railways	Francis C. Gamble, C.E.	Victoria.
Gold Commissioner for Cariboo and Quesnel	Charles W. Grain	Barkerville.
Deputy-Minister of Public Works	W. W. Foster	Revelstoke.
Inspector of Public Surveys	W. S. Drewry	Victoria.
Provincial Crop and Labour Commissioner	W. J. Bonavia.	Vernon.
Provincial Medical Health Officer	Oswald Grey Ingham	Nanaimo.
Provincial Superintendent of Police	Colin S. Campbell	Victoria.

The British Columbia Legislature in 1911.

The 2nd Session of the Twelfth Legislature of the Province was opened on Jan. 12th by His Honour Thomas Wilson Paterson, Lieut.-Governor, with a Speech from the Throne which commenced with a reference to the King's death and the accession of George V., and paid high tribute to the late R. G. Tatlow, one-time Minister of Finance; stated that questions of jurisdiction between the Province and the Dominion, relating to Fisheries, had been settled upon by the two Governments and were now before the Supreme Court of Canada; mentioned the abundant harvest, the success of fruit-growing in the Province, the large mineral output, and the necessity of further safeguards for the miners; stated that the Canadian Northern Pacific and

the Kettle River Valley lines were under construction and that there had been numerous additions to the Merchant marine of the Province; promised measures to consolidate and improve existing Railway Acts, to regulate Trust Companies, to further protect workingmen in logging and railway camps and to deal with the Insurance Commission report; stated that a Reserve of upwards of 231,000 acres of Crown lands on Vancouver Island had been set apart for a public park, to be known as Strathcona Park; referred to the acquisition of all the land comprised in the Parliament Buildings square and stated that an appropriation would be proposed for an enlargement of the present building to meet the growing requirements of the Civil Service, as well as to provide for additional accommodation for the Legislature.

The Address was moved by J. P. Shaw, of Kamloops, and M. Manson, of Comox; W. H. Hayward was appointed Deputy Speaker and A. H. B. MacGowan Chairman of Ways and Means. As there were only two Liberals in the House and two Socialists, the debates of the Session were not very exciting; on Jan. 30th, John Jardine, one of the Liberals, explained to the House that he was joining the Conservative party because of differences as to the Railway question between himself and his colleague, H. C. Brewster, of Alberni, and also because they could not agree as to which should be Leader of the Opposition of two. Meanwhile Mr. Brewster had continued the debate on the Address and in doing so outlined the attitude of the tiny Liberal minority. He claimed that the Government pledges as to Railway construction had not been carried out and that these pledges had been openly broken; declared that miners, instead of being protected by the Government, were being hired to work on "prospects" and left unpaid "when the prospect petered out"; described the question of land settlement as ignored, the present laws as not enforced, and the lands still manipulated by speculators; the School taxes were declared to be a heavy burden on new settlements and without adequate local return.

Mr. Premier McBride replied at length, deprecated the general nature of Mr. Brewster's charges and sympathized with him in the position of "having no following in the country and none in the House"; explained that the construction of a Railway over the mighty ranges of British Columbia was a stupendous task, that it was not always possible in the arrangements made to hew exactly to the line, and pointed out that the G.T.P. was to have been completed this year but was probably not within five years of its expectations; declared that the C.P.R. had now more business than it could handle and that there was abundance for the C.N.R. and its future Atlantic Steamship service combined; dealt fully with the Land policy of the Government and with conditions which were different in British Columbia from

those of any other Province. The rural population had doubled within five years and, as to speculation:

> We find within the past seven years that about 1,750,000 acres of land have been sold in this Province, but that not one acre has been sold to a colonization Company. There are cases in which certain people have secured large tracts of land; but it would be impossible to preclude the purchase in large quantities, because if not secured by direct means there are other ways of obtaining it. In the terms by which this land is acquired, there are no favourites. It matters not whether a man is a Conservative, or a Liberal, or a Socialist—it is equal rights for all. We have scores upon scores of proposals from colonization companies who wish to acquire large areas in British Columbia for practically nominal sums and, side by side with these proposals, to bring in rural population. But we have felt that if there is any work of colonization to do we might better undertake it directly as a Government than delegate it to any Company.

The Premier pointed out, also, that pre-exemption had been going on and probably 1,750,000 acres taken up. "The pre-exemptor is exempt for 2 years from taxation. After that the exemptions provided for in the Assessment law are most generous and we have not had one single complaint from the pre-emptors because of the enforcement of the Assessment law." Immigration and settlement and investment had all been encouraged. "We have 11,000 miles of trunk road that cost upwards of $6,000,000 and by far the greater part of these roads has been constructed solely and entirely for the benefit of the settlers in the rural districts. In addition, we have built bridges that have cost, approximately, upwards of $5,000,000 and these also have been for the most part built for the purposes of developing the rural sections. We have also a Department of Agriculture which has spent hundreds of thousands of dollars for the development of agriculture. Then, too, we have a very generous educational system."

Other speakers were C. E. Tisdall, H. H. Watson, John Jardine, S. A. Cawley, J. A. Anderson and J. H. Hawthornthwaite. The last-named moved an amendment declaring that the Government's enactments were of little benefit to the masses and that "the further development of the means of wealth-production and distribution by the present ruling class results, in the last analysis, in but further misery and poverty for the great majority of the people"—that, therefore, "we have no confidence in the present Government" and that "the collective ownership and democratic management of the means of wealth-production and distribution and the abolition of the wage-system can alone remedy the existing evils and poverty that afflict the people of the Province." Only the mover and Parker Williams, the other Socialist, voted for the motion and the Address then passed (Jan. 20) without division. On Feb. 3rd a Socialist motion condemning the Government of Japan for inflicting the

death penalty on certain Socialists was ruled out of order by the Speaker as offensive in its terms to an ally of the Empire and the ruling was sustained by 25 to 2. During the Session much of the Government's legislation was opposed by the Socialists and divisions forced—notably on the Coal Mines Act, the Railways Act, the Legal Professions Act, the Noxious Weeds Act and the regulations taking land for Highway purposes.

On Feb. 2nd a Resolution moved by G. A. McGuire and N. F. MacKay was passed unanimously stating that the cost of coal to the consumer was out of all proportion to the cost of production; that this retarded the establishment of industries and appeared to be the work of combination; and declaring a Royal Commission of Inquiry desirable. On the 16th a Government Resolution, presented by W. H. Hayward, in condemnation of Reciprocity, carried by 34 to 1.

The legislation of the Session was useful but not voluminous. The Hon. W. J. Bowser put through a Motor Vehicle Act which provided for the registration and licensing of motors and licensing of chauffeurs. Owners were made liable for reckless driving. The Hon. Dr. Young amended the University Act so as to extend for three years the period in which its 2,000,000 acre endowment might be selected from the Public lands of the Province; he also amended the Public Service Act so as to make certain Civil Service appointments permanent pending the delayed Report of the Civil Service Commission. The Hon. Mr. Bowser proposed an amendment to the Oaths Act, taking the appointment of Affidavit Commissioners from the Supreme Court Judges and giving it to the Governor-in-Council. The measure presented by Hon. Price Ellison for creating the Strathcona Park (276 square miles) in the heart of the Vancouver Island Alps was unanimously approved.

The Premier's Act respecting Railways created a new Department and defined the position of Companies under Provincial regulations. Companies incorporated for railway building purposes under the Act were required to commence and continuously proceed with construction within 12 months after incorporation, expending not less than 15 per cent. of the share capital paid (paid up in cash) within two years, and if the Railway was not completed and in operation within five years after the Company's incorporation, then the powers granted could be annulled in their entirety. Mr. McBride also carried a measure amending the Coal Mines Regulation Act following upon the discussion of the 1910 draft bill. The industry had doubled its output since 1903 and new conditions had arisen. To analyse the measure is impossible here. The Premier's explanation on Feb. 1st was, in brief, as follows: " The measure which I am now presenting to the House is, for the most part, founded on the

English Act—a law which has wisely been very closely followed by all the Provinces of Canada, by Australia and by the several States of the American Union where coal mining is an important industry. . . . With regard to the rules, themselves, we notice a great many alterations in the Bill, most of them of a seemingly insignificant character. You will find that they are all designed to meet special conditions with which we have to cope in British Columbia. The principal opposition will be in connection with the appointment of the Inspector or Inspectors by the Government."

Details were changed as a result of the discussion and, on Feb. 21, Mr. Hawthornthwaite (Soc.) described the measure as a model piece of practical and beneficial legislation. The Attorney-General (Mr. Bowser) introduced an Act assuming Provincial control of Fire Insurance and described the facts and causes in Feb. 10. It had been principally brought about by agents engaged in the Insurance business of the Province who were paying the taxation of 1 per cent. on the premiums collected and who claimed to be placed at a disadvantage by large insurers going outside the Province; which statement the insurers met by replying that there was no reason why they should not do so if they could get better rates. The Insurance men replied that these outside companies brought very little capital into the Province and paid no taxation and it was unfair to allow them to compete. The Government had appointed a Royal Commission—R. C. Lennie, A. B. Erskine and another—upon whose Report the new Act was based. Thereafter Companies wishing to do business in the Province were required to satisfy the Superintendent of Insurance to be appointed under the Act as to their standing, to deposit $20,000 in the Provincial treasury to protect the public as to the payment of losses, and they were also to pay $250 for a license. The Bill also placed on the Superintendent of Insurance the responsibility for the investigation of all fire losses of a suspicious nature and he could institute a Judicial investigation and use the resources of the Government in order to prove whether there was a case of arson or not.

A Government measure changed the old-time designation of Chief Commissioner of Lands to that of Minister; another Bill validated certain acts of the Municipal Council of Victoria and authorized the Mayor and Council to carry on business until a new Mayor could be elected after certain legal proceedings; Mr. Bowser had a Bill providing for the maintenance of deserted wives and improving the enforcement of the machinery of the law and also a measure ratifying certain important agreements respecting False Creek, Vancouver—between the Great Northern Railway and the City; Hon. T. Taylor carried a measure simplifying the taking possession of lands required for highway purposes; the Attorney-General (Mr. Bowser) also amended the

Companies Act which had been so much criticized in other Provinces and had realized $13,000 a year in fees as to certain minor and technical points. He vigorously defended the measure. "We say that local people who are living here and have invested all that they have in their particular business in this Province, who purchase everything here, and who are also paying taxes on their stock and income and who pay municipal taxes besides as well as license fees, should not be placed at a disadvantage against outside people who are in a position to compete with them on account of cheaper labour in the East, the lower cost of coal, and other incidentals."

Mr. Bowser's Municipal Clauses Act amendment gave municipalities power to abolish saloon licenses and to, in future, license only hotels. In connection with Dr. Young's Act providing for a grant of land at Point Grey as a site for the new University the Minister of Education referred at length to his plans in that connection. When the time came to call for competitive plans the architect would be instructed to provide for 20 or 30 buildings in addition to those which would be erected by the various Theological institutions. One of the most important of these would be devoted to the liberal Arts and Science, with provisions for Schools of Music, Art and Commerce. The next would be the Agricultural College with a School of Forestry, of Domestic Science and of Veterinary Science. There would also be a College of Education and Teaching, a Law School and a College for the Higher Education of Women. There would be a physics building, a chemistry building, a museum, a gymnasium, a convocation hall, an observatory, an electric power-house and all other necessary buildings. In 1912 $1,000,000 would be appropriated as a beginning and a President would be selected. Of other Acts passed the most important were Ernest Miller's Bill to check the sale of Habit-forming drugs and the Premier's act respecting Health regulations for lumber camps, railway camps, mining camps, saw-mills and other places in which labour was employed.

The Budget Speech of the Hon. Price Ellison, Minister of Finance, was delivered on Feb. 13 and presented the remarkable statement of cash assets in hand almost sufficient to pay off the Funded Debt of the Province which stood at $9,616,800. Mr. Ellison gave an elaborate analysis of the progress, production, and general conditions of British Columbia. For the year ending Mch. 31, 1910, the Receipts had been $8,818,596 and the Expenditures $6,382,993. The net Funded Debt on Mch. 31, 1910, was $9,616,800. From 1904 to 1910 the Government's surpluses had totalled $7,100,000. The estimated Receipts for 1910-11 were $7,026,000 and the actual Revenue $10,481,419, with estimated Expenditures of $7,738,257; the estimated Receipts for 1911-12 were $8,192,101 and the Expenditures $11,035,390. Of the 1909-10 Receipts the chief items were

Dominion subsidies $522,076; Land sales $2,618,188; Timber royalty and licenses $2,234,099; Registry fees $408,826; Succession duties $108,495; Revenue, real property, personal property, and wild-land taxes $1,009,022; Income tax $190,984; Mineral tax and coal royalty $325,330; Chinese Restriction Act, $356,200; Interest $157,493. The chief items of Expenditure were $546,940 for Interest; $389,700 for Government and Salaries; $365,171 for Justice administration; $114,486 for Legislation; $257,688 for maintenance of Public institutions; $209,442 for hospitals and charities; $587,935 for Education; $3,403,835 for Public Works. The Opposition criticism by Mr. Brewster was chiefly directed against the inclusion of Land sales in Revenue and the claim that an Auditor-General was needed.

INCIDENTS IN THE YUKON.

Mch. 8.—The Dawson Board of Trade passes Resolutions supporting Reciprocity; asking the Federal Government to install a wireless telegraph system for the Yukon similar to that used in Alaska; suggesting a trunk road from Whitehorse to Dawson, the opening of public tenders in public, and the establishment of a poll-tax.

Mch. 31.—The Dominion statistics as to Yukon production show a total of $4,089,571 or $494,687 more than in 1910.

Mch. 31.—The Report of the Yukon Commissioner (Alex. Henderson) states that the Yukon Gold Company continued its hydraulic and dredging operations during the summer and was preparing to renew these operations at the opening of the season with increased activity; the Canadian Klondike Mining Co. was to operate two dredges during the coming season at the Boyle Concession on the Klondike River. One of these was erected in the summer and was said to be the largest and most powerful dredge in the world. For purpose of generating electric power, to be furnished for dredging and other mining operations, the Northern Light Coal and Power Co. had erected a large and splendid plant at Coal Creek about 35 miles from Dawson, and was now furnishing power to the City of Dawson and vicinity. This Company had extensive coal areas from which power for the plant and coal for commercial purposes generally was obtained. At the north fork of the Klondike River a large power plant was being installed.

Mch. 31.—The total Railway facilities of the Territory are stated as 101 miles, the coal production as $12,780 in value, the Exports as $221,476 and the imports $1,076,918.

Nov. 30.—The appointment is announced of George Black, an active Conservative politician in the Yukon, as Commissioner in succession to Mr. Henderson and to Arthur Wilson, Acting-Commissioner for some time.

Dec. 31.—The Census returns state the population at 8,512—a decrease from 27,219 in 1901.

X.—RELATIONS WITH THE EMPIRE.

The Coronation of King George the Fifth

To Canada as to other parts of the Empire this important event was made of real Imperial significance through representation in many and varied forms, at the solemn ceremonies and splendid functions in London, and by participation in celebrations of a general and enthusiastically loyal character at home. The significant and impressive Empire-wide display was brought clearly before Canadians in press descriptions and in a multitude of succeeding speeches. Little can be said here of the events themselves—including the visit of the German Emperor and Empress, the opening by the King, on May 12, of the Festival of Empire, the unveiling by His Majesty on the 16th of an Imperial Memorial to the late Queen Victoria, the Royal banquet at Buckingham Palace on June 20th, the Coronation itself on the 22nd amidst conditions of stately splendour which impressed the world, the Royal Progress through London on the 23rd, the Review by the King of 167 British battleships at Spithead on the 24th, the Garden Party at Buckingham Palace on the 27th, the King's fête to 100,000 children at the Crystal Palace on the 30th, the Royal visit to Ireland on June 8-12, the Investiture of the Prince of Wales at Carnarvon Castle on the 13th.

Canada's part in the programme and incidents was nominally limited. Yet, in reality, the desire of the Imperial authorities to meet the loyalty of the Colonial States made them generous in the extreme both as to invitations to Westminster Abbey and as to the place of representative Canadians in every kind of function and ceremony. The same statement is true of India and Australia and South Africa and New Zealand and Newfoundland and the Crown Colonies which all sent of their best; but Canada's proximity to the heart of Empire naturally made its share greater. On July 1st Lord Strathcona, for instance, was able to telegraph His Majesty that 3,000 Canadians were present at the Dominion Day Dinner who had visited England to share in the Coronation celebrations. The official List of Canadians invited to Westminster Abbey included over 100 persons of whom the only Royal guest was the Prime Minister of Canada—Sir Wilfrid Laurier. Then came Lord Strathcona, the Ministers attending the Imperial Conference and their wives, the Provincial Premiers of Canada who were all present with the exception of Hon. H. J. Palmer of Prince Edward Island and Hon. G. H. Murray of Nova Scotia. The Canadian Members of Parliament who were in London as

guests of the Imperial Parliament were also invited to the Abbey as follows:

Sir Mackenzie Bowell,
Hon. Lawrence G. Power,
Hon. Robert Watson,
Hon. George E. Foster,
John H. Sinclair,
Dr. Henri S. Béland,
George E. McCraney,
Ralph Smith,
Charles A. Magrath,
Hon. J. A. Lougheed,
Hon. J. P. B. Casgrain,
Hon. John G. Haggart,
A. B. Warburton,
Frank B. Carvell,
Hugh Guthrie, K.C.
Dr. Michael Clark,
Herbert B. Ames,
Dr. John W. Daniel.

Others present were the Lieut.-Governors of Ontario and Saskatchewan and Senators J. K. Kerr, William Gibson, John Yeo, F. P. Thompson, J. N. Kirchoffer, N. A. Belcourt, L. Melvin Jones, A. A. Thibaudeau and J. H. Ross. Members of Provincial Governments included the Hon. J. S. Duff, Hon. C. H. Campbell, Hon. W. J. Bowser, Hon. Adam Beck, Hon. W. F. A. Turgeon, Hon. J. Richards and Hon. W. R. Motherwell; the Mayors of Toronto, Montreal and Winnipeg were invited as were Mr. and Mrs. Clifford Sifton, Colonel S. Hughes, M.P., W. O. Sealey, M.P., A. C. Rutherford, ex-Premier of Alberta, Sir Edmund Walker, Sir Henry and Lady Pellatt, Hon. W. H. Montague, Sir William Mackenzie, Sir Donald and Lady Mann, Dr. William Peterson, Dean Williams of Quebec and Chancellor A. C. McKay; Mrs. S. Nordheimer, President Daughters of the Empire, and F. B. Fetherstonhaugh, President of the Empire Club of Canada; W. J. Gage, Justices Davidson and Archer, J. H. Turner and W. Thoburn, M.P.; E. L. Newcombe, F. C. T. O'Hara, G. J. Desbarats, Deputy Ministers at Ottawa; Rear-Admiral C. E. Kingsmill, Colonel G. T. Denison, Lieut.-Colonel J. H. Burland, etc. Sir Charles Tupper and Sir Richard Cartwright were unable to attend.

The Royal Procession of June 23rd was seen by thousands of Canadians from beautifully decorated stands arranged by the Canadian Emigration Office, the Ontario Government, C.P.R., the Grand Trunk, and the Nova Scotia Offices. In the Procession itself the Colonial troops, numbering 1,378 men, were led by General Sir Ian Hamilton. Directly following the Canadian Contingent of 807 mounted and foot soldiers under Colonel H. H. McLean, A.D.C., M.P., came Royal carriages containing (1) Sir Wilfrid Laurier and Rt. Hon. Andrew Fisher, (2) Sir J. G. Ward and Rt. Hon. Louis Botha and (3) Sir E. P. Morris and others. The Canadian Contingent of troops was the largest of the Empire contributions and its chief officers besides Colonel McLean were Lieut.-Colonel V. A. S. Williams, in command of the Mounted Troops, Major R. A. Carman of the Cavalry, Lieut.-Col. E. M. Renouf of the Artillery, Colonel A. Roy of the Dismounted troops and Major T. A. Vien of the Garrison Artillery.

A part of the Royal Northwest Mounted Police rode immediately in front of the King.

Of the lesser events associated with the Coronation must be mentioned the King's Garden Party at Buckingham Palace on June 27th, attended by most of those who were present at the Coronation, together with their wives; the Reception by the King and Queen at Buckingham of the Overseas Prime Ministers including Sir W. Laurier, Hon. J. D. and Mrs. Hazen, Sir J. P. Whitney, Hon. A. L. and Mrs. Sifton, Hon. R. P. Roblin, Hon. Walter and Mrs. Scott, Hon. Richard and Mrs. McBride. The Canadian as well as the other Colonial troops were inspected on the 27th by the Prince of Wales—who was accompanied by Princess Mary and Prince George—and by the King at Buckingham Palace on June 30th. At the Naval Review the official representatives of the Canadian Navy—G. J. Desbarats, Deputy Minister, Lieut. Lord A. Graham and Midshipmen R. V. Nelles and V. G. Brodeur, with 35 men from the *Niobe* and *Rainbow*, were present. The Canadian Boy Scouts, numbering 135 and coming from Ontario, Quebec, Saskatchewan, Alberta, Manitoba and British Columbia, were under command of Lieut.-Colonel Minden Cole. They had a time of memorable excitement and interest. They saw London and were lined up on Constitution Hill to witness the Royal Procession; they were the guests of Portsmouth and were taken over a Battleship; they led the march of 30,000 Boy Scouts past the King at Windsor on July 4th and were reviewed at their camp (Roehampton) by Field Marshals the Duke of Connaught, Earl Roberts and Lord Grenfell. To the visiting Empire journalists the Empire Press Union gave a banquet on June 17 when Lord Burnham, Lord Curzon and Dr. J. A. Macdonald of Canada, were the chief speakers. Following the earlier Coronation events His Majesty the King issued the following Address:

To My People: Now that the Coronation and its attendant ceremonies are over, I desire to assure the people of the British Empire of my grateful sense that their hearts have been with me through it all. I felt this in the beautiful and impressive service in the Abbey—the most solemn experience of my life—and scarcely less in the stirring scenes of the succeeding days when my people have signified their recognition and their heartfelt welcome of me as their Sovereign, for this has been apparent not only in the loyal enthusiasm shown on our passage to and from Westminster and in the progress which we have made in the different districts of London, but also in the thousands of messages of good-will which have come to me across seas from every part of the Empire. Such affectionate demonstrations have profoundly touched me and have filled me afresh with faith and confidence. Believing that this generous, outspoken sympathy with the Queen and myself is, under God, our surest source of strength, I am encouraged to go forward with renewed hope that whatever perplexities or difficulties may be before me and my people, we shall all unite in facing them resolutely and calmly and with public spirit, confident that under Divine guidance the ultimate outcome will be to the common good.—(Sgd.) GEORGE, R. I.

Meanwhile, the Coronation honours had been announced and included a number of Canadians. Senator L. Melvin Jones, Hon. A. B. Routhier, William Whyte, Vice-President of the C.P.R., were made Knights Bachelor; the Rt. Hon. Sir Charles Fitzpatrick was promoted to a G.C.M.G.; Dr. R. A. Falconer, Toronto University, Adam Shortt, Civil Service Commissioner at Ottawa, W. R. Baker of the C.P.R. Service and C. C. James, Deputy-Minister of Agriculture, Toronto, were raised to the rank of C.M.G. Of honours not Canadian in a local sense were the appointment of A. Bonar Law, M.P., to the Privy Council, the C.M.G. given to A. F. Sladen, Governor-General's Secretary, the Knighthood conferred on W. Max Aitken, M.P., the Baronetcy given to Professor William Osler. The Hon. Sir F. W. Borden was also appointed Hon. Surgeon-General to the King.

To the Delegates from the Overseas Parliaments who, with their wives and daughters, were the guests of the Houses of Lords and Commons at this time, a boundless volume of hospitality and courtesy was extended through a Committee of which Lord Rosebery was Chairman and Howard d'Egville Hon. Secretary. At a Luncheon on June 19th Lord Rosebery dealt with the traditions and liberties and responsibilities and future of the Empire. "We shall wake up some day and find ourselves, for Imperial purposes, a federated Empire." Sir Mackenzie Bowell spoke for Canada, Sir J. T. Molteno for South Africa, Sir W. J. Lyne for Australia, and Lord Curzon for India. Following the hospitalities of London came a Provincial tour (July 3-7) in which the visiting Parliamentarians were the guests of Dublin, Belfast, Glasgow, Leeds, Sheffield and Newcastle, Scarborough, Manchester, Liverpool, Llandudno, Carnarvon, Stratford-on-Avon, Birmingham, Oxford and Cambridge. Advantage was taken of this visit by representative Members of the Legislatures in all parts of the Empire to organize, on June 29, the Empire Parliamentary Association. The meeting was presided over by W. Hayes Fisher, M.P., and a Committee was appointed to make the final arrangements which divided the Association into Branches—Earl Loreburn and the Rt. Hon. J. W. Lowther being Presidents of the United Kingdom Branch with Earl Grey as Chairman of Executive and Mr. d'Egville as Hon. Secretary.

An incident of this period was the purchase by the Society of Knights Bachelor of Clifford's Inn, as their future home and centre, at a cost of $175,000—largely through the munificence of Sir Henry Pellatt, of Canada, President of the Society. On June 20th the latter presided at the first annual Dinner and on the 28th Sir Henry and Lady Pellatt received a large proportion of the 425 members at their new headquarters. Meanwhile the Canadian and other Overseas ladies had been overwhelmed with functions and gaieties—a very few of those who gave the more important entertainments being Lady Northcliffe, Mrs. L. Har-

court, the Duchess of Northumberland, the Duchess of Sutherland, Mrs. Norton Griffiths, Lord and Lady Strathcona. In this connection the Daughters of the Empire had a large representation in London headed by Mrs. Nordheimer, Mrs. Albert Gooderham and Miss Weland Merritt, and they were widely entertained. At this time, also, a tour had been arranged by the Manitoba Department of Education for the school teachers of that Province and the party were given many of the courtesies of the great occasion. Following their London visit they were taken to Stratford-on-Avon, Oxford, Windsor and Eton, Chester, Bangor, Carnarvon and other points in Wales, Dublin, Belfast, Ayr, Edinburgh, Loch Lomond and other points of historic interest.

Meanwhile, what of Canada? Coronation Day was, of course, a holiday everywhere, decorations and flags were visible in every village, town, and city, special Church services were held, Royal salutes fired and various and varied programmes or celebrations were carried out—State Dinners in every Capital, reviews and parades of troops, sports, special addresses, school children's patriotic exercises. On June 22nd Lord Grey, officially, cabled the King that "the hearts and prayers of all Canada are with your Majesty to-day and always," and received a reply saying: "I heartily appreciate the good wishes of my people in Canada on my Coronation Day. George R.I." The press teemed with descriptions of the event and one quotation may be given from an eloquent picture by Dr. J. A. Macdonald in the Toronto *Globe:* "Is not the time coming when the Premiers of Greater Britain will have a place in the Coronation service and pledge allegiance for those Dominions overseas in whose keeping the future of the Imperial Crown will be. . . . The King is not only sovereign of this ancient realm but he is also a bond of union between the Motherland and the world-wide British Empire that has grown up under his beneficent shelter. Around him we, of the outer nations, gather. To his person and throne we pledge fealty as unselfish and unfaltering as that of those who in the Abbey swore to be his liegemen of life and limb."

Addresses, or loyal messages, went from the City Council of Montreal, the Presbyterian General Assembly, the Anglican Synods of Nova Scotia and Toronto, the National Council of Women, the Association of Canadian Clubs, the Loyal Orange Association, a mass-meeting at Victoria, B.C., the Legislature of New Brunswick, the City of Regina—these are a few selected at random from the multitude of greetings which went from Canada. The Coronation gift of the Georges of the Empire to the King and of the Marys to the Queen was not shared in by Canadians as might have been expected. There was a tendency in certain quarters—notably the Toronto *Telegram* and the Regina *Standard*—to sneer at the project. On June 8th, however, Queen Mary was presented with a cheque for $61,500 which was subscribed in

small sums by her namesakes of the Empire as a Coronation gift. She wished to devote the amount to charities but the Committee urged that the gift was a personal one and the Queen, therefore, consented that a part of it should be devoted to the purchase of a diamond Insignia of the Garter. In her letter of acceptance the Queen said: "I look forward with special satisfaction to devoting the remainder of the noble gift to a charitable object in which I am greatly interested." Canada's total contribution was $3,500. A local incident of the Coronation was a presentation of 55,000 medals to the school children of Toronto, in recognition of the Coronation, by Sir Henry Pellatt.

Earl Grey's Last Months as Governor-General.

Lord Grey continued his round of functions and public duties to the last day of his Administration. At Quebec on Jan. 18th he opened the Canadian Forestry Convention and on Jan. 26th received a vigorous attack from Henri Bourassa in *Le Devoir* for an alleged promotion of the Naval policy of the Government. In the Ontario Legislature, on Mch. 20th, a long Resolution was unanimously passed eulogizing His Excellency's work in Canada. "We recognize with cordial appreciation the zealous and unwearied efforts of Your Excellency to promote the great interests that concern us all; to stimulate the confidence and hope of the people in their own country; to lend cheerful aid in behalf of every useful undertaking and to encourage the advancement of the community in education, in science, and in art."

In February a Vice-regal visit was paid to Montreal and in March Mr. J. S. Ewart, K.C., published one of his periodical attacks upon Lord Grey's Imperialism which he described as "a part of himself" and as also dangerous to Canadian autonomy. "His dearest wish is to bind Canada politically, and above all, for war purposes, to the United Kingdom." In May His Excellency wrote the Lieut.-Governor of Manitoba suggesting that a Memorial should be erected to the late Dr. James Robertson and enclosing a cheque for $100. Honouring men of this kind might help Winnipeg to "save her soul from being swamped in the dead sea of dollars." On Apl. 10 Lord Grey laid the corner-stone in Toronto of the new General Hospital and at Ottawa on the 19th wrote to the Mayor urging an immediate and systematic warfare upon house-flies. The Earl Grey Musical and Dramatic Trophy was contended for at Winnipeg on Apl. 24th with Their Excellencies present—Winnipeg winning the Musical trophy and Edmonton the Dramatic one. On May 19th Lord Grey visited the Agricultural College and Farm at Guelph and on Empire Day was in Toronto, visiting the Earl Grey School there on the 26th. At Berlin on the 29th he unveiled a Monument of Queen Victoria and on the 30th motored through the oil country of Petrolea and visited Sarnia; in Montreal on June 5th he opened the new Medi-

cal Building of McGill University and on the 6th laid the corner-stone of an extension to the Montreal General Hospital.

Late in August Lord and Lady Grey spent some days in Toronto. His Excellency opened the Canadian National Exhibition on the 28th, and delivered a farewell address and in the evening was given a Dinner at the National Club; on the 30th Their Excellencies were entertained at the Royal Canadian Yacht Club and on the 31st a Garden Party was given them at the York Club. The Boy Scouts (4,200 of them) were reviewed on the 29th. On Sept. 23rd the Races at Ottawa were attended, on the 25th a farewell Dinner was given His Excellency at the Rideau Club. The Ottawa Canadian Club, on the 27th, tendered Lord Grey a most successful banquet, and in return heard a very frank analysis of Canada's position in the Empire. "It is true that Canada is at present a dependent independency. That is a result not of your desire, but of present conditions. You are dependent for your security on the supremacy of the British Navy. It may be said that you are dependent on the Monroe Doctrine. Well, if you examine into the matter I think you will find that the Monroe Doctrine, like the independence of self-governing Dominions, also floats on the British Navy. I do not know at what price you could value it if the British Navy were stripped from the seas." On Oct. 3rd the Mount Royal Club at Montreal gave a farewell Reception while His Excellency unveiled a statue of the late Hon. John Young.

On the 4th an imposing banquet was tendered Lord Grey at the Windsor and a high tribute paid by him to the courtesy, chivalry and charm of the French-Canadian people. The Empire, he declared, stood for security, self-government, unity and duty; in it Canada must some day be the controlling factor. On Oct. 6 Lord Grey received the resignation of the Laurier Government and sent for Mr. Borden. To the Countess Grey at Ottawa a presentation of jewels was made on the 9th from Toronto, Montreal and Ottawa ladies. A number of addresses were also presented to His Excellency. At Quebec on the 11th cheering crowds said farewell. A loyal Address was tendered from the City and as the new Royal Governor-General steamed up the River Lord Grey and his family sailed down it and away from a country in which the years had been marked by so much of high endeavour. In London a great banquet was given Lord Grey by the Royal Colonial Institute on Oct. 24th with the Rt. Hon. Lewis Harcourt presiding and many leaders in British and Overseas life present. The retiring Governor-General spoke strongly as to Canadian loyalty and deprecated any idea of Annexation sentiment. "In justice to Sir Wilfrid Laurier, my affection and admiration for that distinguished statesman requires me to say that he and his Government were actuated by no annexationist sentiment in the Reciprocity policy they adopted at the polls. Sir Wilfrid Laurier

was fully persuaded that his policy, if adopted, would strengthen both Canada and the Crown. . . . I say, with equal confidence, that notwithstanding some desire to the contrary, there is no expectation in Canada that the recent Canadian elections should be used for introducing any change in the tariffs of the United Kingdom. It cannot be too clearly understood that Canadians are as adverse to the idea of interfering in your local affairs as they are to any interference on your part in theirs."

The Duke of Connaught is Appointed Governor-General

The appointment of Field Marshal H.R.H., the Duke of Connaught and Strathearn to preside, in a constitutional and Imperial sense, over Canadian affairs for a brief term of years was, to the British people, an interesting event. In the evolution of Canada it was also an important one. The natural bigness of the country, the growing greatness of its prospects and population and power, the increasing pride and self-assurance of its people, the curious ebb and flow, cross currents and complexities, of its national thought and Imperial sentiment, the local combination of obvious loyalty with extreme democracy, of British feeling with United States customs, characteristics and influence, tended to make the appointment one of unusual import. That the Duke of Connaught was known to be personally popular in Britain and wherever he had held a military post; that he was a brother of the late King Edward, a son of the Queen whose name was still a household word in Canada, and an Uncle of the reigning King; were, of course, additional elements of interest in the situation. That he had hewed out for himself a distinguished career in the Army and in a potent sphere of Royal diplomacy and that he came to Canada with qualifications and feelings which promised to make him an ideal representative of the Crown, were facts known in a general way to the Canadian people.

The Duke had been in Canada in 1869-70 with the Rifle Brigade; he had visited the country again in 1890. Prior to his appointment there were many press rumours that he would not or could not accept the post owing to United Kingdom conditions; Mr. Lewis V. Harcourt, Colonial Secretary, was suggested as were H.S.H. The Duke of Teck, Queen Mary's brother, and others. Finally, the official announcement came on Jan. 30—the appointment being for two years " which may be subject to further extension." There could be no doubt as to the pleasure of the Canadian people as a whole. The press was clear upon that point with exceptions which were so few as to be negligible. The opponents of organized Imperialism had already expressed some fears and the Toronto *Star* (Lib.), on Jan. 7th, asked for a Commoner like Mr. Bryce or Mr. Birrell. " The new Governor-General should be a Liberal in the broadest sense of the word; a man who stands not only for a party, but for the distinctive tendencies of modern British Liberalism." The farmers' Ontario paper,

The Sun, on Jan. 25th, was almost vehement in its fears of Canadian aristocracy, reactionary Toryism and a Royal Court at Ottawa, and these views were shared in by the *Saturday Sunset* of Vancouver. On the 30th an Ottawa despatch in *The Globe* no doubt represented the Liberal Government's idea: "It is understood that there is no intention of establishing a Royal Court in Canada. His Highness will, like his predecessors, be a democratic Governor and, save for the fact of his Royal lineage and the added *eclat* and dignity thus given to the post of Governor-General there will be no change in the happy relationships of Governor and people with the representatives of the Crown at the Canadian capital."

The Royal appointment was gazetted on Mch. 21st and arrangements were commenced at Ottawa to effect the costly improvements at Government House which had become customary every few years. In June a notable article by C. Frederick Hamilton of Ottawa urged that the Duke's appointment should gradually be extended into a life one and the Monarchy thus installed, permanently and agreeably, on Canadian soil. At the capital, on July 12, Sir Wilfrid Laurier, who had just returned from England, referred in graceful and loyal terms to the coming of His Royal Highness and hoped that the reception to him and the Duchess would be worthy of Canada. The example set by the Royal family of Britain was one of "the greatest assets a nation can possess." On Oct. 6th the Duke and Duchess of Connaught and suite sailed from Liverpool on *The Empress of Ireland* and, as the Royal party neared the Canadian coast, a marconigram was received by the Duke from Lord Grey advising him of the *personnel* of Mr. Borden's new Cabinet. At Quebec, where they arrived on the 13th, great interest was felt and the city was gaily decorated; Mr. Borden and his Cabinet, Sir Charles Fitzpatrick, Deputy of the Governor-General, the Lieut.-Governor of Quebec, Sir Lomer Gouin and his Ministers, shared in the welcome. In the Parliament Buildings at noon His Royal Highness was sworn in as Governor-General and Addresses were received from the Provincial Government and the City. A Luncheon was then tendered by the Dominion Government at the Chateau Frontenac and, at Spencerwood in the evening, a State dinner was given by the Lieut.-Governor and a Reception held at the Parliament buildings by Their Royal Highnesses. The City was beautifully illuminated as the Royal party went from the latter function to the train for Ottawa. At the Luncheon a graceful tribute was rendered by the new Premier and a Message from the King was given to the Canadian people by the Duke:

> I have been specially asked by the King, my nephew, to express to the Canadian people a personal message of affection and ever-abiding interest in all that concerns the welfare of this great Dominion. I am not certain of the number of times the King visited Canada, but certainly on many occasions, and last on that great historic occasion when you celebrated the Quebec Tercentenary. Each time His Majesty's interest

has grown, and I need scarcely assure you he now takes the same profound interest, but in degree ever increasing, and the most fervent wish to-day of King George is that the prosperity of Canada may continue and flourish more and more.

At Ottawa on the 14th a demonstration of welcome was given which had, perhaps, never been equalled in the Capital. Perfect weather, great crowds, loyal enthusiasm, a display of bunting and decorations, made the occasion memorable. The Civic address was presented by Mayor Hopewell at the Station as were others from the St. Patrick's, St. George's, St. Andrew's and St. Jean Baptiste Societies. To them all the replies were appropriate and dignified, full of sound thought and obvious knowledge of local conditions. The Duke's French enunciation in some of his brief speeches at Quebec and Ottawa was described in the press at this time as showing a perfect mastery of the language, its idioms and pronunciation. Meanwhile the new Governor-General's Staff had been announced as follows: Lt.-Col. H. C. Lowther, C.M.G., M.V.O., D.S.O., Military Secretary and Secretary; Captain T. H. Rivers-Buckeley, C.M.G., M.V.O., Equerry and Comptroller of the Household; Lieut. the Hon. A. Ramsay, R.N., Captain W. Long, D.S.O., and Captain H. C. Buller, Aides-de-Camps; Captain E. S. Worthington, M.V.O., Medical Officer; Mr. A. F. Sladen, C.M.G., Private Secretary.

One of the early incidents of the new *regime* was a settlement of the vexed precedence question in connection with Foreign Consuls; the Duke arranging for their presentation in the Speaker's apartments before the official reception. Parliament was opened in state with surroundings of unusual brilliancy on Nov. 16th; at a Luncheon on the following day, given by Colonel Hughes, Minister of Militia, in honour of the Militia Conference, the Duke made a brief speech; on the 18th the first Drawing-Room of Their Royal Highnesses was held in the Parliament Buildings with about 2,000 of Canada's leading people in attendance. Following these incidents came the Duke's visit to Toronto where he arrived on Nov. 27th. The Duke and Duchess were welcomed at the North Toronto station by the Premier and Members of the Provincial Government, the Mayor and members of the City Council, General W. H. Cotton, Sir H. M. Pellatt and others. Thence they drove to Government House where they were to be the guests of the Lieut.-Governor. The Royal visitors passed through crowded streets lined in part by red-coated cadets and 14,000 school children and everywhere by crowds of people—estimated by *The News* at 150,000. For some reason the Militia had not turned out as was expected and desired by the City Council though there were guards-of-honour at the necessary points. The decorations were good though they only became generous in the down-town parts of the City. The effect of the procession was greatly marred by the absence of soldiers and the lack of all display.

At the City Hall an Address was read by Mayor G. R. Geary; a State dinner was given at Government House in the evening; in the morning of Nov. 28th the Duke reviewed the Army and Navy Veterans. The Duke and Duchess were welcomed by the Provincial Government at the Parliament Buildings with an eloquently-loyal Address read by Sir J. P. Whitney. Following this Addresses were presented by the Methodist Church of Canada, the Associated Boards of Trade of Ontario, the United Empire Loyalists, the St. George's and St. Andrew's Societies, the Empire Club of Canada. In the afternoon Loretto Abbey was visited and the Duke attended a meeting of the St. John's Ambulance Corps at the Normal School while the Duchess visited the General Hospital. Addresses were received at Government House from the Church of England Synod and the Caledonian Society. A Reception was held at the City Hall in the evening attended by thousands. The Wednesday (Nov. 29) programme included a visit to the Royal Canadian Academy Exhibition and the reception by His Royal Highness of an Honorary Degree at Toronto University and of an enthusiastic welcome from the students; a visit to Upper Canada College, an entertainment of the Duke by the Toronto Press Club at the King Edward Hotel, and a visit by the Duchess to the Hospital for Sick Children; a splendid ball in the evening given by the Royal Canadian Yacht Club at the Armouries. In reply to the Pressmen's Address, presented by President J. W. Tibbs, the Duke gave some much-discussed advice:

> **A further duty falls upon you, that of teaching the youth of the country to speak and write their own language in a proper way, and I must confess that a cursory glance at some of the papers drives me to the conclusion that you are occasionally rather regardless of this responsibility. I do not allude to the baseball and football news—for the sporting page is couched in a language which is beyond the comprehension of all but the most earnest student—but I have often remarked a carelessness of expression and a picturesque but totally ungrammatical form of writing in the more serious portions of certain newspapers. That is why I make a friendly appeal to the Editors present to urge the young men of your staffs to write pure English.**

On Thursday an Address was received from the Board of Education and some of the Toronto Public Schools, with St. Andrew's College, were visited while the Duchess laid the cornerstone of the new W.C.T.U. building; the Duke was dined at the Toronto Club in the evening and the Duchess visited the Royal Alexandra Theatre. On the morning of the 30th the Royal party left for Hamilton. This city was beautifully and lavishly decorated and the procession from the station on the morning of Dec. 1st passed through long lines of cheering people to the strains of "Rule Britannia" from a Regimental band. Mayor G. H. Lees presented an Address at the Armouries as did Mrs. P. D. Crerar for the Daughters of the Empire and others for the Army and Navy Veterans, the St. George's and Irish-Canadian Benevolent

Societies, and the Wentworth Pioneer and Historical Societies. A Civic banquet and Reception were held in the evening. On Dec. 2nd the Duke and Duchess visited the Royal Military College at Kingston and early on Dec. 8th Princess Patricia of Connaught arrived at Halifax and went straight through by train to Ottawa, with only a stop for the presentation of flowers by a deputation of ladies at St. John.

On Dec. 12th the Duke and Duchess and Princess Patricia visited Montreal where the streets were decorated and large crowds gathered despite the wet and gloomy weather. At the Windsor Station the Daughters of the Empire presented bouquets to the Duchess and Princess Patricia. A very representative gathering was present including Archbishop Bruchési, Sir T. G. Shaughnessy and Bishop Farthing. The procession followed through crowded streets to the City Hall where an Address was presented by Mayor J. J. E. Guerin. In the afternoon an Honorary degree was accepted by His Royal Highness from McGill University and in the evening a Reception was held at the City Hall. On the following day the Royal party visited the Grey Nunnery, the Ville Marie Convent, the Royal Victoria Hospital—an informal call being also paid to Mdle. de Rocheblane who was a local society leader during the days of Prince Arthur's residence at Montreal in 1869-70. In the evening the Duke inaugurated the first Congress of the Canadian Public Health Association and made a most careful and informed speech upon the subject. Mr. R. L. Borden, Sir Lomer Gouin and Hon. Martin Burrill also spoke. On the morning of the 14th the Duke and Princess Patricia visited the General Hospital and the Princess distributed her large bouquet of lilies amongst the children. In the evening a splendid Ball was given by the St. Andrew's Society and on the succeeding night the Royal visit terminated at a crowded and gala performance of "La Boheme" by the Montreal Opera Company. Such is the necessary dry detail of a series of functions which served to bring Their Royal Highnesses into touch with Canadians and to illustrate the tact and charm of manner which so many countries had, in the case of the Duke particularly, tested and returned with wide and unstinted popularity.

The Imperial Conference of 1911.

The holding of this Empire gathering was unique in several respects. It was the first of its kind—a meeting of British nations upon a basis of equality as compared with a consultation between the Colonial Office and representatives of the self-governing Colonies such as the Conferences of 1887, 1902, and 1907 had been. It was held during a critical and widely-discussed political battle in Canada which touched Empire relations and a great friendly foreign Power. It was notable for an immense number of subjects submitted officially for discussion by the United Kingdom and the Dominions with the exception of Canada—which seemed to con-

sider existing conditions as, upon the whole, quite satisfactory. As to this latter point Sir Wilfrid Laurier said in the Commons on Apl. 20th: "We do not think it advisable to present more subjects for consideration than are already pending and will be suggested from other quarters. If we have refrained from offering subjects for discussion it is not from indifference or want of appreciation of the value of the Conference, but because we think quite enough has been cut out to keep the Conference busy. . . . As to co-operation I think we have gone, perhaps, as far as it is possible to go at this moment." This was in answer to an elaborate review of preceding Conferences and present evolution by Hon. G. E. Foster who urged further co-operation in trade and tariffs, representation, immigration and defence.

A few days later (Apl. 28) Sir Wilfrid announced his intention of attending the Conference but his fear that Opposition obstruction in the House might prevent it. An arrangement for adjournment followed, however, and on May 14 the Premier sailed for England accompanied by Sir F. W. Borden, Minister of Militia and Defence, and Hon. L. P. Brodeur, Minister of Marine and Fisheries, as the other representatives of Canada. The Toronto *Globe* of the 16th declared that Sir Wilfrid would be unmoved by efforts of "political thinkers of a certain type" to change the Constitution of the Empire and would also stand by a Defence system under the absolute control of the Canadian Parliament. *Le Canada,* a Government journal at Montreal, went further on May 9th and, after expressing alarm at Imperial Council proposals, said: "From our point of view the situation has, therefore, become serious and the presence of Sir Wilfrid at the Conference is absolutely necessary to save our international status from this Imperialistic evolution."

According to the official correspondence Canada made no special proposals for discussion. Australia was represented by Hon. Andrew Fisher, Prime Minister; Hon. E. L. Batchelor, Minister of External Affairs, Hon. G. F. Pearce, Minister of Defence; South Africa by Rt. Hon. Louis Botha, Premier, Hon. F. S. Malan, Minister of Education, Sir David de V. Graaff, Bart., Minister of Public Works; Newfoundland by Sir E. P. Morris, Premier, Hon. R. Watson, Colonial Secretary; New Zealand by Sir J. G. Ward, Prime Minister, and Hon. J. G. Findlay, Minister of Justice. The United Kingdom was represented by the Rt. Hon. H. H. Asquith, Prime Minister and President of the Conference, the Rt. Hon. L. V. Harcourt, Secretary for the Colonies, and by additional Ministers at various Sessions. H. W. Just, C.B., C.M.G., was Secretary of the Conference which held 12 meetings at the Foreign Office between May 23rd and June 20.

Amongst the subjects presented for consideration was that of an All-Red route suggested by Newfoundland and New Zealand;

an Imperial Court of Appeal and a State-owned Atlantic cable proposed by New Zealand and Australia; a re-organization of the Colonial Office, the appointment of a Secretary of State for Imperial Affairs, and the establishment of an Imperial Council of State—all urged by New Zealand; a permanent Secretariat for the Conference and other matters pertaining to the self-governing Dominions to be directly in charge of the British Prime Minister instead of the Colonial Office—proposed by South Africa; regret that Great Britain should have accepted the Declaration of London without consulting the Dominions, expressed by Australia. These, and a large number of other proposals, the Secretary for the Colonies had to grapple with and the result was an Agenda for discussion which would have required a year for complete and careful consideration. All that can be done at this point is to summarize the Resolutions actually passed:*

1. "That this Conference after hearing the Secretary of State for Foreign Affairs, cordially welcomes the proposals of the Imperial Government, viz., (*a*) that the Dominions shall be afforded an opportunity for consultation when framing the instructions to be given to British delegates at future meetings of the Hague Conference, and that Conventions affecting the Dominions, provisionally assented to at that Conference, shall be circulated among the Dominion Governments for their consideration before any such Convention is signed; (*b*) that a similar procedure, where time and opportunity and the subject matter permit, shall as far as possible be used when preparing instructions for the negotiation of other International Agreements affecting the Dominions."

2. Approving the ratification of the Declaration of London.

3. "That it is desirable that the attention of the Governments of the United Kingdom and of the Dominions should be drawn to the desirability of taking all practical steps to secure uniformity of treatment to British shipping, to prevent unfair competition with British ships by foreign subsidized ships, to secure to British ships equal trading advantages with foreign ships, and to raise the status and improve the conditions of seamen employed on such ships."

4. Approving more uniformity in the law of copyright, patents, trademarks and companies.

5. Suggesting further consultation between the Imperial and Dominion Governments as to concerted action in the matter of International Exhibitions.

6. Proposing exchange visits of selected officials of the Civil Service to and from the Dominions and the United Kingdom.

7. Approving continued encouragement of British emigration to British countries.

8. Suggesting reciprocal legal provisions for the protection of deserted wives and children in the Dominions and the United Kingdom.

9. Recommending that the Lord Chancellor's suggestions as to an Imperial Court of Appeal for the whole British Empire "in two divisions, the first division for the United Kingdom, consisting of the same persons as now are entitled to sit in the House of Lords and the second division for the overseas Dominions consisting of those now entitled to sit on the Judicial Committee, with such further additions as may be needed," should be embodied in an official communication for consideration by the Dominions.

* NOTE.—All those given were unanimous except that relating to the Declaration of London, upon which Australia would not vote; and that on Merchant Shipping as to which the United Kingdom, Australia, South Africa and Newfoundland abstained from voting.

10. That the Conference approves the scheme of Imperial citizenship based on the following five propositions:—

(1) Imperial nationality should be world-wide and uniform, each Dominion being left free to grant local nationality on such terms as its Legislature thinks fit.

(2) The Mother-Country finds it necessary to maintain five years as the qualifying period. This is a safeguard to the Dominions as well as to her, but five years anywhere in the Empire should be as good as five years in the United Kingdom.

(3) The grant of Imperial nationality is, in every case discretionary, and this discretion should be exercised by those responsible in the area in which the applicant has spent the last 12 months.

(4) The Imperial Act should be so framed as to enable each self-governing Dominion to adopt it.

(5) Nothing now proposed would affect the validity and effectiveness of local laws regulating immigration and the like or differentiating between classes of British subjects.

11. Favouring Empire uniformity in the law of Accident compensation.

12. Urging co-operation for the final disposal of aliens deported from one Dominion to any other part of the Empire.

13. Declaring it desirable to celebrate throughout the Empire the Birthday of the King on June 3rd.

14. Urging a reduction in cable rates throughout the Empire and the consideration of a State-owned Cable between England and Canada at a Subsidiary Conference.

15. Favouring a chain of State-owned Wireless stations within the Empire.

16. Approving a Universal Penny Postal rate.

17. Requesting His Majesty's Government "to open negotiations with the several Foreign Governments having commercial treaties which apply to the overseas Dominions with a view to securing liberty for any of the Dominions, which may so desire, to withdraw from the operation of the Treaty without impairing the Treaty in respect of the rest of the Empire."

18. Proposing the appointment of a Royal Commission representing the United Kingdom and Dominions "with a view to investigating and reporting upon the natural resources of each part of the Empire represented at this Conference, the development attained and attainable, and the facilities for production, manufacture and distribution; the trade of each part with the others and with the outside world, the food and raw material requirements of each and the sources thereof available; to what extent, if any, the trade between each of the different parts has been affected by existing legislation in each, either beneficially or otherwise; and by what methods consistent with the existing fiscal policy of each part the trade of each part with the others may be improved and extended."

19. Expressing the desirability of connecting Great Britain with Canada and Newfoundland and thence with Australia and New Zealand by the best available mail service.

20. "That concerted action be taken by all Governments of the Empire to promote better Trade and Postal Communications between Great Britain and the overseas Dominions and, in particular, to discourage Shipping Conferences or combines for the control of freight rates between the various portions of the Empire, insofar as the operations of such Conferences are prejudicial to trade."

21. Approving wider Legislative power for the Dominions in respect to British and Foreign Shipping—only Canada and New Zealand voting.

22. Suggesting more uniformity in the laws of Alien immigration exclusion and its reference to the Royal Commission.

23. Favouring further consideration between the Governments concerned of mutual arrangements for the reciprocal enforcement of judgments and orders of Courts of Justice.

24. Urging a substantial reduction of the dues levied upon Shipping using the Suez Canal.

25. Approving reciprocal visits between the Ministers of the United Kingdom and the Dominions and suggesting the holding of a future Conference Overseas.

Mr. Asquith had opened the Conference on May 23rd with a speech in which he urged that they should " make the Empire in all its activities, and throughout all its parts, a more complete and effective instrument for the furtherance of our corporate unity and strength along the old, well-trodden, but ever lengthening and widening road of British liberty." The question of Defence he stated would be considered in secret conference and Sir Edward Grey would inform the Delegates, privately, of the actual international situation as it affected the Empire. Sir Wilfrid Laurier concluded a brief speech with the reiteration of his old-time phrase: " If there is one principle upon which the British Empire can live, and ought to live, it is Imperial unity based upon local autonomy." The other Premiers spoke, a loyal Address was passed to the King and then a Resolution in favour of admitting the press, when proceedings were not confidential, was withdrawn after the Canadian Premier and others had expressed disapproval.

The establishment of an Imperial Council was the first important subject of discussion and was elaborately presented by Sir Joseph Ward. Sir Edward Morris opposed it; Mr. Asquith, after reading a favourable Memorial from 300 members of the British House of Commons, opposed it and quoted Sir W. Laurier; Mr. Fisher opposed it as impracticable and the Canadian Premier, after describing the proposal as the creation of an elective Legislative body from the United Kingdom and the Dominions, declared it out of the question. Sir Wilfrid Laurier also opposed the reconstitution of the Colonial Office as serving no useful purpose. In the debate upon the Declaration of London he made this statement: " We have taken the position in Canada that we do not think we are bound to take part in every war, and that our fleet may not be called upon in all cases and, therefore, for my part, I think it is better under such circumstances to leave the negotiation of these regulations, as to the way in which the war is to be carried on, to the chief partner of the family, the one who has to bear the burden, in part on some occasions and the whole burden on perhaps other occasions." The Canadian Premier opposed the motion in favour of an Imperial Labour Exchange on the ground of conditions being entirely different in the United Kingdom and the Dominions; nor did he like the proposal for a Standing Committee of the Conference and declared that the relations between the Imperial and Dominion Governments should be carried on by themselves; he did not speak on

the Imperial Court of Appeal proposal but Mr. Brodeur expressed satisfaction with existing conditions. In the matter of Empire Naturalization Laws Sir Wilfrid urged action and wanted "uniformity in effect with diversity in methods."

Sir Wilfrid Laurier endorsed the cheapening of Cable rates but did not speak on the Nationalization of the Atlantic Cable. His first personal Resolution was that affecting Trade treaties and Colonial freedom therefrom. All the Premiers approved though Sir Edward Grey did not seem very hopeful in speaking on the subject. The second Resolution presented by the Canadian Premier was that dealing with a Royal Commission on Trade. He strongly endorsed the All-Red route proposal and denounced the British people, in another connection, for not being sensible and accepting the decimal system of coinage. The Conference was attended by other British Ministers from time to time besides the Premier and Colonial Secretary—Sir Edward Grey, Rt. Hon. John Burns, Lord Loreburn, Viscount Haldane, Messrs. Winston Churchill, Herbert Samuel, D. Lloyd George, Sydney Buxton, the Earl of Crewe and Sir Rufus Isaacs. It was closed on June 20 by a speech from Mr. Asquith in which he made special reference to the importance of Sir Edward Grey's private review of international affairs and expressed the belief that all would return to their respective spheres of duty "with more complete confidence in one another, with a stronger sense of common obligations to the Empire, with a more earnest determination to work together for the good of the whole."

A Committee of the Conference had, meanwhile, met at the War Office on June 14-17th composed of Sir F. W. Borden, Hon. G. F. Pearce, Hon. J. G. Findlay, and Hon. F. S. Malan with, in the case of Canada, Colonel S. Hughes, M.P., and General C. J. Mackenzie, Chief of Staff. General Sir William Nicholson was Chairman and several British Officers of expert knowledge were with him. In a Report afterwards published the constitution and duties of the Imperial General Staff were defined together with its relations to the local General Staff in each Dominion. The matter of Staff Colleges and other similar interests of a mutual nature were dealt with. Special Conferences were held between the Admiralty and representatives of Canada and Australia and a Memorandum was afterwards made public defining the situation as follows: (1) the Naval services and forces of the two Dominions were to be "exclusively under control of their respective Governments"; (2) the training and discipline were to be generally uniform with that of the United Kingdom and officers and men to be, by arrangement, interchangeable; (3) the ships of each Dominion force were to hoist at the stern the white ensign as the symbol of the authority of the Crown and at the jack-staff the distinctive flag of the Dominion; (4) in the event of either Dominion desiring to send ships to a Foreign port it was to obtain the

concurrence of the Imperial Government and when at such port a Report of proceedings was to be made to the local British commander or the Admiralty and the Dominion officer, while in such port, to obey instructions from the British Government; (5) when a ship of the British Admiralty met a ship of the Dominions, the senior officer would have the right of command in matters of ceremony or international intercourse, or where united action was agreed upon but would have no other directing power without orders from the Dominion concerned; (6) the British Admiralty agreed to lend such men and officers as were needed by the Dominions from time to time; (7) arrangements were recommended for joint participation in fleet exercises and training; (8) "In time of war, when the naval service of the Dominion, or any part thereof, has been put at the disposal of the Imperial Government by the Dominion authorities, the ships will form an integral part of the British fleet, and will remain under the control of the British Admiralty during the continuance of the war." These were the main points decided upon.

Outside of the Conference, but associated with it, were a number of interesting events. On May 22nd His Majesty the King gave a Luncheon at Buckingham Palace in honour of the Delegates and in the evening the Prime Minister entertained them at Dinner. The attitude taken by a part of the Canadian Liberal press which strongly deprecated closer fiscal relations—notably *The Globe* on May 27—or any direct contribution to the Royal Navy, was met by some British Conservative newspapers attacking Sir W. Laurier for an alleged throwing of cold water on the Conference proceedings. They also found it hard to separate Reciprocity conditions from their comments on Conference proceedings. *The Times,* the London *Globe* and the *Standard,* the Sheffield *Telegraph* and Yorkshire *Post,* described the utterance regarding the Declaration of London as savouring of separation and Sir Wilfrid's policy in the Conference as retrogressive; while in Canada the Montreal *Witness,* the Hamilton *Herald* and the Winnipeg *Free Press* were amongst the Liberal papers which deprecated their Premier's attitude. It must be added that, as the days of debate went on the position of the Conservative press, generally, in England, became one of doubt and suspicion and criticism—the *Morning Post* and *Pall Mall Gazette,* and even the *Saturday Review,* joining in what must have seemed a curious change to Sir Wilfrid after his preceding experiences of warm-hearted friendship and admiration. Expressions of surprise even came over the cable, on June 13, from Hon. W. M. Hughes, acting-Premier of Australia, and from the chief of Australian papers—the Sydney *Herald.* London *Truth,* an independent Radical paper, joined in the attack as did the London *World.* On the other hand the Colonial Secretary (Mr. Harcourt) described the net result of the Conference as "co-operation not concentration"

and this was the view of the Liberal press generally both in Britain and Canada. The London *Chronicle,* the *Daily News* and the Westminster *Gazette* strongly supported the Canadian Premier in everything he said or did.

At Quebec, on July 10th, Sir Wilfrid Laurier was given an ovation in gaily-decorated streets thronged with enthusiastic people. In replying to a Civic address, presented in the presence of 10,000 people on Dufferin Terrace, he said it had been the old issue of Imperial jingoism attacking him on the one side and Canadian Nationalism on the other. "I am happy to have seen at the Imperial Conference the triumph of the principle which ought to be the basis of the security of the Empire; it is that every community, society or nation shall govern itself according to the opinion of the people who comprise it." Going up the River from Quebec was a triumphal procession—boats and people and flags and illuminations everywhere. At Montreal another great welcome was accorded the Premier by massed and cheering crowds numbering (*Herald* estimate) 150,000 with fireworks and illuminations and a really extraordinary demonstration of French-Canadian confidence and approval.

Imperial Incidents of the Year.

Jan. 1.—The New Year Honours include the following conferred upon Canadians:

K.C.M.G.	Hon. Allen Bristol Aylesworth, K.C., M.P.
Knight Bachelor	William Mackenzie.
Knight Bachelor	Donald D. Mann.
Knight Bachelor	George Christie Gibbons, K.C.
Knight Bachelor	Hon. Charles James Townshend.
Knight Bachelor	Thomas Tait.
C.M.G.	Henry Robert Smith, I.S.O.
I.S.O.	F. S. Checkley; N. O. Coté.
I.S.O.	Sidney Smith; Wm. Smith.

Dec. 31.—British visitors in Canada during 1911 include Sir William White, the great ship-builder, Alfred Mosely, C.M.G., member of the Chamberlain Tariff Commission, Lord Charles Beresford, the Earl of Desborough, J. Ellis Barker, Sir Andrew Fraser, K.C.S.I., the Duke of Sutherland, J. Norton Griffiths, M.P., Capt. J. A. Morrison, Sir John Jackson, Bart., Rev. Father Vaughan, Rev. R. J. Campbell, G. H. Roberts, M.P., Marquess of Queensberry, Stuart Samuel, M.P., Sir William Wiseman, Lord Glenconner, Sir Edward Elgar, Viscount Bridport, Sir Frank Newnes, William Maxwell, John Lane, Prince Leopold of Battenberg, Prof. A. E. Garvie, Sidney Webb, T. Guy Paget, Rev. Dr. John Clifford, Sir Edward Boyle, Bart., Sir Reginald MacLeod, Mr. Justice Phillimore, Rev. C. Sylvester Horne, M.P., Sir Henry Lynch-Blosse, the Earl of Dunmore, V.C., Viscount Castlereagh, M.P., Sir Walter Kitchener, E. Parkes, M.P., Thomas Skinner and a group of British journalists, the Sheffield Choir, and the Scotch Curlers. From other parts of the Empire came Hon. J. S. T. McGowen, Premier of New South Wales, Hon. Frank Wilson, Premier of Western Australia, Hon. Alex. Paynton, Deputy Speaker of the Australian Parliament, Hon. J. G. Findlay, Minister of Education, and Sir J. G. Ward, Prime Minister of New Zealand, Sir Thomas Price, Chief of South African Railways, Sir Albert Gould, Senator of Australia, Sir William Grey-Wilson, Governor of the Bahamas.

May 13.—A careful estimate by F. W. Field, in the *Monetary Times*, places British investments in Canada during the period from Jan., 1905, to April, 1911, at $890,805,626.

Nov. 10.—The Rt. Hon. A. Bonar Law, M.P.—born and educated in New Brunswick—is elected Leader of the British Conservative Party.

Dec. 21.—Captain Duncan Frederick Campbell, D.S.O., a Canadian, is elected M.P. for North Ayrshire—defeating the new Solicitor-General and winning a seat for the Conservatives.

Dec. 31.—Mr. E. R. Wood's able annual summary of Canadian Bond issues states the total for 1911 at $239,992,988, of which Great Britain took $177,769,143, Canada $44,669,878, and the United States $17,553,967. Canadian corporations operating abroad issued $26,820,000 and all but $320,000 of this was taken in Great Britain.

Dec. 31.—Of the Imperial organizations of the year in Canada, Colonel George T. Denison remained President of the British Empire League, Mrs. Albert Gooderham was elected President of the Daughters of the Empire, and F. B. Fetherstonhaugh, K.C., President of the Empire Club. A Branch of the British Empire League was organized in Halifax on May 16, with Sir Charles Townshend as President. J. M. Clark, K.C., remained President of the Toronto Branch.

Jan. 2.—A Statue of General Wolfe at his native place, Westerham, Kent, is unveiled by Earl Roberts.

Apl. 26-8.—The Imperial Education Conference meets in London with Delegates present from the United Kingdom, Canada, Australia, New Zealand, South Africa, India and the Crown Colonies. The following are the chief Resolutions:—

> That it is desirable that British Imperial History should have its due place in the curriculum of schools and universities.
>
> That increased facilities be granted to Teachers in order that they may the more easily migrate throughout the Empire for purposes of study and conference.
>
> That this Conference places on record its high appreciation of the work carried out by the League of the Empire in accordance with the express approval of the Overseas Education Departments.

May 1.—In the *Canadian Magazine* John S. Ewart, K.C., comes out definitely in favour of Independence:

> "Let our independence then be acknowledged. Let us learn to regard ourselves as a nation. Let us claim the place and the rank and the respect to which we are entitled. Let us no longer be a colony, even in name, nor yet one of the Dominions beyond the Seas"!

Dec. 31.—The Montreal Fund for a Memorial of King Edward VII. reaches a total of $60,000. The larger subscriptions are as follows:

Lord Strathcona	$2,500	C. M. Hays	$1,000
Sir H. M. Allan	1,000	Sir Hugh Graham	1,000
Lord Mount Stephen	1,000	H. S. Holt	1,000
Bank of Montreal	2,000	C. R. Hosmer	1,000
R. B. Angus	1,000	Sir William C. Macdonald	1,000
La Banque d'Hochelaga	1,000	Hon. Robert MacKay	1,000
Merchants Bank of Canada	1,000	Robert Meighen	1,000
Royal Bank of Canada	1,000	H. V. Meredith	1,000
A. Baumgarten	1,000	D. Morrice	1,000
Canadian Pacific Railway	2,500	Hugh Paton	1,000
Sir E. S. Cloúston	1,000	James Ross	1,000
Nathaniel Curry	1,000	Sir Thomas Shaughnessy	1,000
Drummond, McCall & Co.	1,000	F. W. Thompson	1,000
C. B. Gordon	1,000	Sir William Van Horne	1,000

Grand Trunk Railway....$1,000

Dec. 31.—Miscellaneous British honours conferred upon Canadians in 1911 were as follows:

Vice-Admiral of the Fleet	Rear-Admiral John Denison.
Fellow of the Royal Society	Professor J. B. Leathes.
Fellow of the Royal Society	Professor Howard T. Barnes.
Hon. LL.D., University of Birmingham	J. A. Macdonald, LL.D.
Hon. LL.D., University of Birmingham	R. A. Reeve, M.D., LL.D.
Hon. Council, North British Academy	J. M. Clark, K.C., M.A.
Bishop of Willesden	Rt. Rev. Dr. W. W. Perrin.

Dec. 31.—Some of the practical proofs of Lord Strathcona's interest in Canadian and British affairs during 1911 may be mentioned:

Y.M.C.A., Galt	$5,000	Y.M.C.A., Toronto	$1,500
Montreal Memorial to King Edward	2,500	British Home for Incurables	10,000
Y.M.C.A., Western Funds.	150,000	Y.M.C.A., Halifax	10,000

McGill Medical Building..... $100,000.

Dec. 31.—During the year a number of men of Empire interest and association passed away—Major-Gen. Richard Hebden O'Grady-Haly, C.B., one-time Commander of the Canadian Militia died on July 9th; Henry Fowler, Viscount Wolverhampton, G.C.M.G., P.C., July 25th; Rt. Hon. Sir Charles Wentworth Dilke, Bart., P.C., M.P., Jan. 26th; Rt. Hon. William Hillier Onslow, 4th Earl of Onslow, G.C.M.G., one-time Under Secretary for the Colonies and Governor of New Zealand, Oct. 23rd; Cardinal Patrick Francis Moran, Archbishop of Sydney, Australia, Aug. 16th; Rt. Hon. Henry James, Lord James of Hereford, Aug. 18th; Rt. Hon. Henry Stafford Northcote, Lord Northcote, ex-Governor-General of Australia, Sept. 29th; Hon. Sir James Spearman Winter, K.C., K.C.M.G., ex-Premier of Newfoundland, Oct. 6th.

Apl. 26.—It is announced that the Commonwealth of Australia has inaugurated an Imperial Penny Postal rate.

June 30.—The trade of Newfoundland for the fiscal year is as follows:

	Imports.	Exports.
United Kingdom	$3,092,429	$2,345,342
Canada	4,607,720	1,745,389
United States	4,943,874	1,249,550
Elsewhere	739,887	6,635,466

Dec. 31.—The following appointments of Imperial importance and character may be recorded here:

Agent and Consul-General in Egypt	F.M., Lord Kitchener of Khartoum.
Lieut.-Governor of Eastern Bengal and Assam	Sir C. Stuart Bayley.
Governor of Victoria, Australia	Sir John Fuller, Bart., M.P.
Chief of the Dominions Dept. of the Colonial Office	Sir H. W. Just.
Prime Minister of Queensland	Hon. D. F. Denham.
Governor-General of Australia	Lord Denman.
Member Judicial Committee, Privy Council	Rt. Hon. Sir John Edge.
Member Judicial Committee, Privy Council	Rt. Hon. Syed Ameer Ali.
Premier of Western Australia	Hon. John Scaddan.
Minister of External Affairs for Australia	Hon. Charles E. Frazer.

XI.—RELATIONS WITH FOREIGN COUNTRIES.

Jan. 1.—The first Report of J. P. Mabee, Chairman of Canada's Railway Commission and M. A. Knapp, Chairman of the U.S. Interstate Commerce Commission, is made public by the U.S. Secretary of State. It affirms that a Treaty is desirable and proceeds: "The intended effect of such a Treaty would be to subject international carriers, within the limits outlined, to obligations and requirements corresponding to those now imposed upon the interstate carriers of this country. To accomplish the desired result a Treaty between the two countries would be preferable to concurrent legislation; and a draft of the substantial provisions of a proposed treaty, omitting the formal parts, is appended hereto and submitted for your consideration. As will be seen, this proposed Treaty provides for a tribunal to enforce and administer its provisions to be known as the International Commerce Commission.

Feb. 4.—The Carnegie Peace Foundation at New York, controlling Mr. Carnegie's gift of $10,000,000, or $500,000 a year, for the furtherance of Peace, states that the Peace Societies of this Continent and elsewhere will be utilized to further the Propaganda.

Feb. 7.—The United States Congress rejects the Long Sault Development Bill about which there has been much controversy in Canada.

Feb. 7.—A Treaty is concluded between Great Britain and the United States whereby, in consideration of the relinquishment by the former for a period of 15 years of her right of Pelagic Sealing in that part of the North Pacific and Behring Sea north of the 35 degree north latitude and east of the 180th meridian, she obtained a share of the land-take from the United States herd on the Pribilof Islands amounting to one-fifth of the gross take. This arrangement was conditional upon a Conference which took place at Washington in May between representatives of Great Britain, the United States, Japan and Russia—Great Britain being represented by Mr. Bryce and Joseph Pope, C.M.G., of Ottawa, and, on July 7th, the Treaty was signed between the Powers mentioned, under which it was agreed that Pelagic Sealing in the waters of the North Pacific Ocean, north of the 30th parallel of north latitude, and including the Seas of Behring, Kamchatka, Okhotsk and Japan should be forbidden to the subjects and citizens of the four Powers during the life of the Treaty—Dec. 15th, 1911, for 15 years. As to compensation to Canada and to Japan for giving up a valuable right, the United States agrees to give to each an annual share amounting to 15 per cent. of the gross land-take upon the United States rookeries and to make to each an advance payment, as soon as the Treaty goes into effect, of $200,000.

Feb. 16.—The United States Senate modifies and changes the terms of the Fisheries Treaty in a Bill reported by the Foreign Relations Committee. At the end of the year it was announced that Canada would probably not put the Treaty in operation.

Mch. 16.—In respect to the International Joint Commission organized early in the year to deal with certain matters at issue between

the United States and Canada and authorized by the Treaty of May 5, 1910, the following interesting despatch from Washington appears in *The Globe* of this date: "The most important step in the promotion of cordial relations between the United States and Canada thus far accomplished was completed to-day when the Department of State delivered the commission to the three Members of the International Joint Commission which is hereafter to deal with all issues between the two countries. To this tribunal are delegated powers which it is believed will obviate all employment of the circuitous routes of all former negotiations which have been conducted by way of Downing Street and will make possible a directness of communication and conference which will, no doubt, forestall serious disagreements."

May 19.—Canada declines to adhere to the new British Commercial Treaty with Japan but is willing to continue the existing one for a period of two years.

July 13.—The Anglo-Japanese Treaty of alliance is changed so that if either Power concludes a Treaty of General Arbitration with a third Power the alliance shall not entail an obligation to go to war with that Power.

Aug. 2.—The Chinese Famine Relief Fund reaches the total of $54,270 and is closed.

Aug. 15.—After negotiation, conclusion and signature (Aug. 3) of an Arbitration Treaty between Great Britain and the United States; after great acclaim from a part of the Press in Great Britain and Canada and the Republic; following a series of earnest speeches by President Taft—notably on July 7th—and strongly expressed approval by Sir Edward Grey on Mch. 17th, by Mr. Balfour and Mr. Asquith in London on Apr. 28th, by Sir W. Laurier at Ottawa on Mch. 22nd; the United States Senate rejects the arrangement on the ground that it would have to be followed by Treaties with other Powers and endanger the Monroe Doctrine.

Dec. 14.—A meeting is held in London to arrange for co-operation in a celebration of 100 years of peace between Great Britain and the United States. Earl Grey is appointed President of the Association and Lord Shaw, of Dunfermleigh, Chairman of the Executive.

Dec. 21.—In a Message to Congress President Taft says of the Panama Canal Toll question: "I am very confident that the United States has the power to relieve from the payment of tolls any part of our shipping that Congress deems wise. We own the Canal. It was our money that built it. We have the right to charge tolls for its use. Those tolls must be the same to everyone, but when we are dealing with our own ships the practice of many Governments of subsidizing their own merchant vessels is so well established that a subsidy equal to the tolls, an equivalent remission of tolls, cannot be held to be a discrimination in the use of the Canal."

Dec. 31.—In Ontario the Censors of Moving Picture films forbade during the year the constant use of the United States flag; in Winnipeg and Edmonton and other points in the West attention was drawn to the constantly pro-American and anti-British subjects in these films; from St. John and Montreal and Vancouver, B.C., complaints came.

Dec. 31.—The Foreign appointments, etc., in Canada during the year were as follows:

Consul-General for France.....Camille Jules Alexandre Chayet.
Arbitrator: United States and Mexico
Boundary Line .....Eugene Lafleur, K.C.
Consul-General for Argentine Republic .....Carlos A. Galarce.

XII.—TRANSPORTATION AFFAIRS.

The Canadian Pacific Railway.

Jan. 9.—Referring at Montreal to Sir T. G. Shaughnessy's ready-made-farm idea in the West, G. McLaren Brown, European Manager, describes it as "the greatest success of any Immigration plan yet employed by the C.P.R. or the Government. Already large English landlords, such as the Duke of Sutherland and the Duke of Norfolk, Lord Desborough and the Duke of Buccleuch are taking it up in the effort to establish their surplus tenantry on Canadian farms."

Jan. 23.—Vice-President William Whyte's announced building programme for Western Canada includes the construction of 380 miles of new branch lines; the building of 100 miles of double track; the addition of 40 miles to sidings to make room for longer trains drawn by Mogul engines; the enlargement by one-third of the Winnipeg shops of the Company to provide facilities for the handling of locomotives and cars; the laying of 85-pound steel on the old M. & N. W., which is to be a portion of the new main line to Edmonton; the establishment of rock-crushing plants in British Columbia, and the rock ballasting there of hundreds of miles of roadbed to protect it against the effects of heavy rain; the establishment of new Railroad Yards at Medicine Hat, Moose Jaw and Regina.

Feb. 3.—Judgment is given in favour of the Company by the Privy Council in the testing and final case as to the Railway's right of exemption from taxation in the Western Provinces. It is held that unoccupied lands are not taxable until 20 years after the actual grant of letters patent to the settler and that C.P.R. lands sold on the instalment plan are not taxable until all the instalments are paid.

Feb. 14.—Mr. David McNicoll, Vice-President and General Manager, states to the Toronto press that local improvements and buildings are under way involving a large expenditure of money.

Mch. 7.—Western trainmen from Port Arthur to Vancouver are given a ten per cent. advance in wages.

Mch. 25.—The Privy Council dismisses the Company's Appeal in the Toronto Viaduct case. This means the end of a legal battle in Toronto which began in 1907 for a separation of the grades of the railways entering the City along the water-front. It was on Dec. 31, 1908, that the order of the Railway Commission was issued for the elevation of the tracks coming in from the east and the depression of the tracks westward.

Mch. 31.—The Toronto *News* gives the following reasons for the current advance in C.P.R. stock: (1) The Company has advanced its dividend rate from 7 to 10 per cent.; (2) the Company's possessions in lands and other property are enormously valuable; (3) the Company is undisturbed by the pursuit of American Courts and Legislatures to which United States Railways are subjected; (4) these considerations have led to a gradual transfer of investors' money from United States rails to Canadian Pacific.

June 30.—The 30th Annual Report of the Company shows the following balance sheet:

Assets.		Liabilities.	
Railway and Equipment	$343,595,230 24	Capital Stock	$180,000,000 00
Ocean, Lake and River Steamships.	19,679,673 54	Four % Preference Stock	57,076,665 70
Acquired Securities.	75,979,653 19	Four % Consolidated Debenture Stock..	142,861,462 26
Properties held in Trust for Company	6,180,692 76	Mortgage Bonds	38,648,633 33
Deferred Payments on Land and Townsite Sales	34,116,420 82	Current Liabilities..	17,203,651 58
Advances to Lines under Construction	8,996,903 68	Interest on Funded Debt and Rental of Leased Lines..	1,392,316 50
Advances to Investments	9,637,202 18	Equipment, Replacements, Special Appropriations for Improvements and Reserve Fund	20,071,222 39
Materials and Supplies on Hand	11,191,254 01	Lands and Townsites (Sales)	49,258,770 42
Current Assets	8,049,899 36	Surplus	55,374,493 44
Temporarily Invested in Government Securities	10,088,734 86		
Cash in Hand	34,371,550 98		
	$561,887,215 57		$561,887,215 57

June 30.—The Company's 4 per cent. yearly dividend on Preference Stock and its quarterly dividends on Ordinary Stock at 7 per cent., totalled $14,853,866, with 2½ per cent. additional paid out of Special Income; the year's business was as follows:

Gross Earnings	$104,167,808 21
Working Expenses	67,467,977 64
Net Earnings	$36,699,830 57
Net Earnings of Steamships in excess of monthly reports	1,118,349 87
	$37,818,180 44
Deduct fixed charges	10,011,071 44
Total Profits	$27,807,109 00

June 30.—The balance remaining from sales of the Company's lands and townsites is stated, officially, at $49,258,770; its acreage of land in the three Prairie Provinces totals 7,061,184 acres and in British Columbia 4,427,811 acres; the statement of Earnings show $28,165,556 from Passengers and $5,645,227 from Freight; the total equipment at date includes 1,637 locomotives, 52,602 freight and cattle cars, and 2,064 passenger, sleeping, and other cars, 16 steamships in the Atlantic service, 4 in the Pacific, 21 on the Pacific coast, 5 on the Upper Lakes and 21 in various British Columbia services.

June 30.—The sales of agricultural C.P.R. land during the year are stated to aggregate 650,874 acres for $9,558,427, or $14.69 per acre; the Company acquired a lease of the lines and transfer of the coal mines, lands, etc., of the Alberta Railway and Immigration Coy; 103 locomotives, 24 passenger cars and 3,808 freight cars were added to rolling stock equipment at a cost of $9,000,000 and orders are outstanding to the value of $7,000,000.

June 30.—The total mileage included in the Traffic returns is 10,480, the mileage of other Lines worked is 291, the mileage under construction 983, the mileage of the Minneapolis and St. Paul and the Duluth and South Shore is 4,381.

Aug. 29.—The retirement of Sir William Whyte, as Vice-President and an active official, and his appointment as a Director of the Company, is announced at a Dinner in Winnipeg.

Sept. 2.—The London *Statist*, in a careful analysis of the Company's position, describes the growth of its earnings in 10 years as 237 per cent. and of the traffic per mile as 141 per cent.; dilates upon its conservative management and the debt owed by Canada to the men who built the Railway. The effect of

the Company's policy of excluding land sales, bounties and subsidies, from its Capital Account is said to be a wise and generous one and to have enabled it not only to keep the capitalization down but to charge lower rates and fares than would have been otherwise possible. The Asset value of the undertaking is placed at $743,000,000, the liabilities at $443,000,000.

Oct. 4.—At the annual meeting of the Shareholders Sir T. G. Shaughnessy announces that the shops for Western maintenance and rolling stock construction would be erected at Calgary. In his address the President adds: "It will not only be desirable but necessary to continue to build year by year a good many branch lines to provide present and incoming settlers with transportation facilities. More miles, indeed, than you would have been called upon to provide had the Dominion and Provincial Governments, who pledged their credit almost beyond the limit of prudence to assist other railroads, insisted that these Companies should open up new territories instead of building their lines through settled sections of the country where ample transportation facilities already existed." Sir Thomas Shaughnessy is re-elected President with the Executive Committee as follows: R. B. Angus, David McNicoll, Sir E. B. Osler, Sir T. G. Shaughnessy, Lord Strathcona and Sir W. C. Van Horne.

Oct. 18.—The last rail on the Company's new grain route from Victoria Harbour to Bethany, near Peterborough, is laid. The completion of this line by the C.P.R. is of importance as taking an important future part in the transportation of the grain crops of the West to Montreal and the East.

Nov. 26.—It is stated in the press that when prospects of settlement in the Western Coal Strike were not bright the C.P.R. feared that there would be great suffering amongst settlers during the winter and purchased in Pennsylvania all the coal that could be handled through Fort William. It also provided for shipment by way of Duluth of 400,000 tons or a total of 700,000 tons, altogether, in excess of the Company's own requirements. The object was to have this coal available for sale at cost to settlers along its lines if a supply could not be secured through ordinary channels.

Dec. 11.—It is announced that the Company will issue $18,000,000 of new stock at $150 per share, bringing the total up to $198,000,000 or within 2 million of its authorized Ordinary Stock.

Dec. 22.—The New York *Journal of Commerce* states that there are 38,145 shareholders in the C.P.R. as against 35,791 a year ago.

Dec. 27.—The Canadian Pacific Telegraph Co. announces that after Jan. 1st it will accept messages for transmission to Great Britain at one-half the regular rates. These messages at the lower rates will not be transmitted until the messages which pay the full rate have been forwarded but they will be transmitted within 24 hours.

Dec. 31.—The following appointments were made during the year:

Position.	Name.	Headquarters.
Vice-President and General Manager of Western Lines	George J. Bury	Winnipeg.
Assistant to Vice-President	Grant Hall	Winnipeg.
District Passenger Agent	Matthew G. Murphy	Toronto.
Assistant Chief Engineer of Eastern Lines	J. M. R. Fairbairn	Montreal.
Assistant Freight Traffic Manager	W. M. Kirkpatrick	Montreal.
General Freight Agent	H. E. McDonell	Montreal.
Assistant to Vice-President	J. W. Leonard	Montreal.
General Superintendent, Eastern Division	F. P. Gutelius	Montreal.
General Superintendent of Transportation, Eastern Lines	Charles Murphy	Montreal.

The Canadian Northern Railway.

Mch. 1.—Sir William Mackenzie is given a banquet at Halifax in recognition of his making that City the winter terminus of the Royal Line. Mayor Chisholm presided and after a reference to the guest's great Canadian railway work, added: "Another reason why he has claims on us is that in our Province he has developed extensive coal mines and opened up a portion of the Province by constructing a Railway. We trust that in his future work Nova Scotia will have a place."

Mch. 17.—To the Toronto Press Sir William Mackenzie says: "Last year the Company spent something like $13,000,000 on construction work in the West and the expenditure for this year will greatly exceed that sum."

May 9.—Sir Donald Mann, in an Ottawa interview (Toronto *Star*) describes the Bond proposition made to the Government as follows: "If you will give us a guarantee of our bonds on this Ontario and Quebec Section we will guarantee you to use the Intercolonial as our extension to the Atlantic and thus assure that road a continuance of traffic. We will give you a third transcontinental which will not cost the country a dollar. We expect to have the whole line in operation by 1915 and will have our independent terminals in Toronto, Hamilton, and Montreal and, though no decision has yet been reached as to Ottawa, we are ready to enter into a partnership arrangement or, failing that, to create our own terminals here."

May 11.—The Resolutions presented at Ottawa by Mr. Graham, Minister of Railways, which eventually became law, enable the Dominion Government to guarantee the bonds of the Company to the extent of $35,000 per mile for the whole distance from Port Arthur to Montreal, *via* Sudbury and the Ottawa Valley—1,050 miles. The interest on the guaranteed securities is placed at 3½ per cent. per annum, payable half-yearly, with the principal payable 50 years after the first issue.

May 19.—It is announced that contracts have been awarded for the completion, within one year, of the Toronto-Ottawa Line of 250 miles.

May 20.—It is stated in the Toronto *Star* as the result of an interview with Sir Donald Mann that the C.N.R. North Toronto Station will be situated half-way between Yonge Street and Avenue Road and be apart from that of the C.P.R. The right of way through North Toronto was practically all acquired at a cost of $1,600,000. The initial expenditure for the Toronto Terminals would be between five and six million dollars and the work was to be completed in two years. In addition to the North Toronto Station the Canadian Northern would use the Union Station on the Esplanade so long as traffic conditions warranted. In Montreal there would be terminals and a bridge over the St. Lawrence costing about $30,000,000.

June 29.—Announcement is made of a contract being let to the Northern Construction Co. for building the Canadian Northern 160 miles through the heart of the Rockies and through the valleys of the Fraser and the South Thompson Rivers. The Contractors are to begin their work at Hope and continue to Kamloops.

June 30.—The result of the Company's operations for the fiscal year are as follows:

Gross Earnings—from Passenger Traffic.....	$2,869,677 05
From Freight Traffic.....	11,951,993 75
From Express, Mail, Telegraph, Dining and Sleeping Cars, Elevators, etc.....	1,539,041 59
Total	$16,360,712 39

Working Expenses (including Taxes, etc.)	$11,370,365 57
Net Earnings	$4,990,346 82
Deduct Fixed Charges	3,982,651 02
Surplus	$1,007,695 80
From this Deduct Interest (Special)	312,872 05
Net Surplus for the Year	$694,823 75

June 30.—The Annual Report states that during this fiscal year 400 miles of newly-constructed tracks were added to the System and the average mileage operated was 3,383 miles. The Royal Line of Steamships had proved a success and more steamers would be required; the Land Sales totalled 279,151 acres at $3,345,498, or an average of $12.00 per acre as compared with $10.36 in the preceding year; Car Trust obligations were created to the extent of $3,294,000 in connection with the purchase of locomotives, passenger cars and freight cars. Construction was proceeding rapidly between Toronto and Trenton (opened Oct. 9) and Trenton and Ottawa, connecting the Canadian Northern Lines of Ontario and Quebec.

June 30.—The Directors' Report makes this statement: "The year closed is particularly important in the history of your Company because of the final steps toward accomplishment of your Directors' determination to secure for it the status of a Transcontinental system. In May last the Dominion Government entered into an agreement with the C.N.O. Company to facilitate the construction and guarantee the financing of a line from Montreal to Port Arthur to connect there with the present Eastern terminus of the C.N.R."

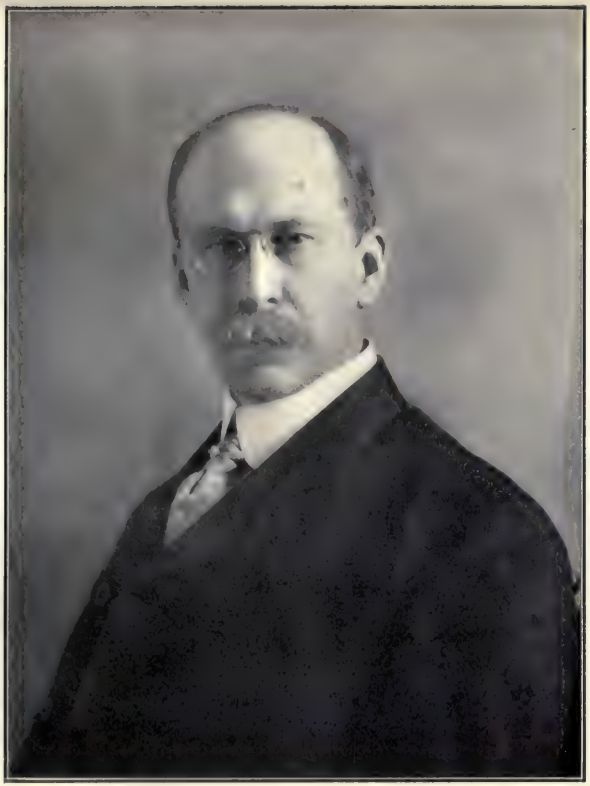
June 30.—The condensed Balance Sheet of the C.N.R.—exclusive of 871,866 acres of land owned in Manitoba and Saskatchewan, is as follows:

Assets.		Liabilities.	
To Cost of Railway and Equipment	$170,411,188 05	By Capital Stock	$170,411,188 05
Acquired Securities	8,232,006 87	Bonds and Stock Guaranteed by Governments	49,097,159 01
Advances to other Companies	2,377,331 82	Four % Perpetual Consolidated Debenture Stock	88,964,720 16
Advances to Lines Under Construction and Terminals	13,819,193 73	Five % Income Charge Convertible Debenture Stock	15,000,000 00
Materials and Due from Agents	2,341,900 70	Land Grant Bonds	6,513,346 68
Cash and Deferred Payments	11,880,848 33	Car-Trust Obligations	12,472,192 92
Cash Account	11,356,406 05	Current Liabilities	5,134,598 49
Instalments due re 5% Income Charge Con. Debenture Stock	1,019,123 99	Coupons, Dividend Warrants and Accrued Interest	2,038,005 50
		Equipment Replacement Fund	230,541 23
		Surplus:— Land and Railway Account	21,987,435 55
	$221,437,999 54		$221,437,999 54

Aug. 17.—Officials of the Company state that 35,000 free homesteads, of 160 acres each, are now available along its Western lines.

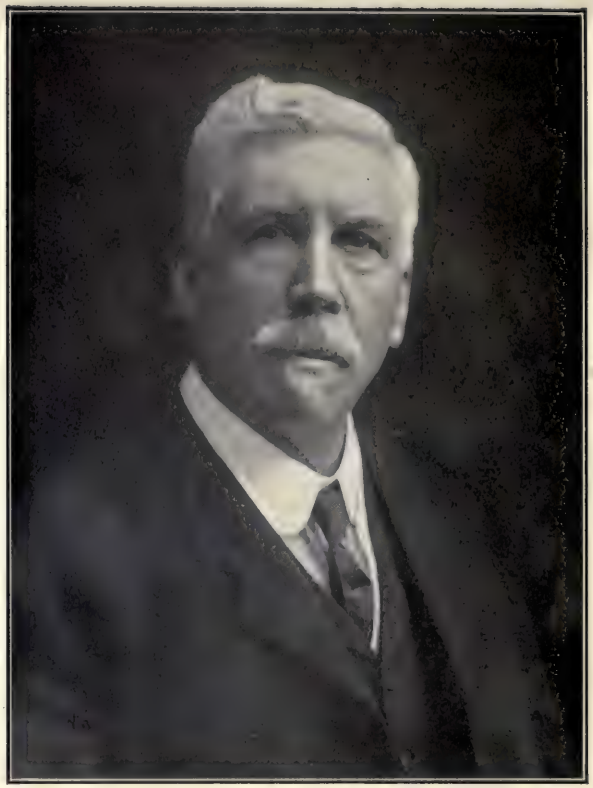
Oct. 20.—The Company applies to Parliament for permission to construct and operate a Railway tunnel from Montreal westerly under Mount Royal. This was approved, the Canadian Northern Land Co. incorporated and the cost of the project stated at $25,000,000.

Nov. 11.—A decision of the Railway Commission is announced providing that the C.P.R. in North Toronto shall give the C.N.R. sufficient running rights over its tracks to enable that Line to have proper access to its terminals west of Yonge Street.



MR. ROBERT SAMUEL LOGAN.

Appointed a Vice-President of the Grand Trunk Railway in 1911.



SIR WILLIAM WHYTE.

Vice-President of the Canadian Pacific Railway. Knighted by H.M. the King in 1911.

Dec. 15.—The opening of the Canadian Northern between Vegreville and Stettler in Alberta evokes a statement in the *Standard of Empire* that "an immense agricultural area, approximately 5,000 square miles in extent, has been added to the commercial map of Canada. This territory which comprises some of the richest agricultural land of Western Canada had long been hampered for lack of adequate Railway facilities. 15 new towns have been brought into prominence and it was a day of jubilation as the first train passed through."

Dec. 28.—The Company's plans as to entrance into Montreal, which have been a matter of speculation for months and the cause of large purchases of property, are announced. They include: (1) a Tunnel under the Mountain three miles long; (2) a large Station at the City end of the Tunnel and a palatial Hotel on the site of the Bath Hotel property; (3) a residential region or model city on part of the 4,800 acres acquired behind the Mountain; (4) the electrification of the lines from Back River to the City and up-to-date freight sheds.

Dec. 31.—During the year large Loans are put on the London market by this Company as follows:

March	£358,888 3½ per cent. Guaranteed 1st Mortgage Debenture Stock at	94½
March	£647,260 3½ per cent. Guaranteed 1st Mortgage Debenture Stock at	94½
April	£1,543,209 5 per cent. Com. Debenture Stock at	98
November	£1,438,356 4 per cent. Guaranteed Debenture Stock at	99
December	£7,000,000 3½ per cent. Guaranteed Debenture Stock at	93

The Total was £10,987,713 or nearly $55,000,000.

Dec. 31.—The following appointments were made during the year:

Assistant General Pasenger Agent East of Port Arthur	R. L. Fairbairn	Toronto.
Superintendent of Sleeping, Parlor and Dining Cars and Hotels	Walter Pratt	Winnipeg.
General Passenger Agent West of Lake Superior	Robert Creelman	Winnipeg.
Assistant Passenger Agent West of Lake Superior	Osborne Scott	Winnipeg.
General Traffic Manager	George H. Shaw	Toronto.
Assistant General Superintendent	J. R. Cameron	Winnipeg.
General Superintendent — Western Section	A. W. Wilcox	Edmonton.
General Superintendent — Central Section	A. E. Warren	Winnipeg.

The Grand Trunk Railway System.

May 5.—It is announced from Providence, Rhode Island, U.S., that the Grand Trunk's fight for a right of way to a tide water terminal in that City was definitely won on this date when Governor A. J. Pothier signed a Bill providing for access by the Grand Trunk to its proposed docks over and under the tracks of the New York, New Haven and Hartford Railway.

May 23.—An official circular announces the offer of four free scholarships, each covering 4 years' tuition in the Faculty of Applied Science at McGill University for competitive examination by apprentices and other employees of the Company, under 21 years of age, and by minor sons of employees. These scholarships had become an annual gift, but for several years only two had been offered.

Sept. 30.—A general re-organization of the Executive and Staff is announced. The officials are appointed as follows:

President Central Vermont and other Subsidiary Lines	E. H. Fitzhugh	St. Alban's.
Senior Vice-President	Wm. Wainwright	Montreal.
Vice-President in Charge of Financial and Accounting	M. M. Reynolds	Montreal.
Vice-President in Charge of Construction, Transportation and Maintenance	Howard G. Kelley	Montreal.
Vice-President in Charge of Freight and Passenger Traffic	J. E. Dalrymple	Montreal.
Vice-President in Charge of Lands, Taxes, Mails and Claims	R. S. Logan	Montreal.

Nov. 25.—It is announced that an issue of $6,250,000 4-per cent. guaranteed stock will be made. This follows an issue in January of $3,750,000 consolidated debentures guaranteed at par. The total of Preference Stock issued on Dec. 31st, 1911, is stated at £24,958,609 and of Ordinary Stock £22,475,992.

Dec. 20.—The Company publishes statistics as to the result of having a special Grand Trunk Building at the Festival of Empire, which closed in London on Oct. 31st. The total number of visitors was 367,133; the advertising matter distributed 189,344 pieces; cinematograph shows given in the building were 1,086 at which 108,600 people attended.

Dec. 24.—It is announced that the Company has purchased and will operate through a subsidiary Company the Rail and River Coal Company's Mines, which include 31,000 acres of coal lands in the No. 8 Seam, Pittsburg vein of Belmont County, Ohio. There are said to be 6 mines in operation with an output of 750,000 tons of coal per annum.

Dec. 31.—The appointments of the year were as follows:

Chief Engineer	H. R. Safford	Montreal.
Assistant to the President	D. E. Galloway	Montreal.
Chairman Board of Directors, Canadian Express Company	C. M. Hays	Montreal.
President of the Canadian Express Company	John Pullen	Montreal.
General Freight Agent	H. C. Martin	Montreal.
Assistant General Freight Agent	Frank J. Watson	Montreal.
Director of the Company	Sir Felix Schuster	London.
General Passenger Agent	H. G. Elliott	Montreal.
Assistant General Passenger Agent	J. D. McDonald	Chicago.
District Passenger Agent	A. E. Duff	Toronto.
District Passenger Agent	W. J. Quinlan	Winnipeg.

Dec. 31.—The official statistics of the Company for the calendar year 1911, are as follows:

Particulars.	To June 30 (6 mos.).	To June 30 (6 mos.).	Total.
Gross Receipts	£3,561,181	£4,135,775	£7,696,956
Working Expenses	£2,628,205	£3,110,870	£5,739,075
Net Traffic Receipts	£932,976	£1,024,904	£1,957,880
Net Revenue Receipts	£1,092,374	£1,185,055	£2,277,429
Net Revenue Charges	£729,377	£718,165	£1,447,542
Surplus	£362,997	£466,889	£829,886
Half-yearly Dividends	£360,441	£471,719	£832,160
Receipts from Passengers.	£944,570	£1,239,376	£2,183,946
Number of Passengers Carried	5,170,916	6,813,734	11,984,650
Receipts from Freight	£2,347,954	£2,541,350	£4,889,304
Tons of Freight Carried	9,050,269	10,261,656	19,311,925
Cost of Maintenance of Way and Structure	£395,713	£581,729	£977,442
Maintenance of Equipment	£600,415	£792,660	£1,393,075
Conducting Transportation	£1,373,042	£1,415,843	£2,788,885
General Expenses and Taxes	£258,035	£320,639	£578,674
Train Mileage	10,381,006	10,479,931	20,860,937
Charged to Capital Account	£341,327	£1,007,041	£1,348,368
Gross Receipts—Canada Atlantic Railway	£205,069	£229,494	£434,563
Working Expenses	£188,098	£198,902	£387,000
Gross Receipts—Grand Trunk Western	£661,759	£708,057	£1,369,816
Working Expenses	£549,482	£526,537	£1,076,019
Gross Receipts — Detroit Grand Haven & Milwaukee	£205,050	£252,248	£457,298
Working Expenses	£189,230	£197,233	£386,463

The Grand Trunk Pacific Railway.

Jan. 14.—President C. M. Hays wires the Minister of Railways offering to negotiate with the Government respecting the operation of the Hudson's Bay Railway. The proposition contemplated the construction of a Line of the G.T.P. from Saskatoon to the Pas Mission.

Apl. 1.—The Company inaugurates its direct steamship service between Seattle, Victoria, Vancouver, Prince Rupert and Stewart with its steamers—*Prince George* and *Prince Rupert*.

Mar. 31.—The Commissioners of the Transcontinental Railway—the Eastern Division under rental, when built, to the Grand Trunk Pacific Company—state that the total expenditure of the Commission during the fiscal year was $23,487,853—the total since the work commenced in 1904 being $95,406,697. The total grading done to date was 1,388 miles, the miles of track-laying 1,064, and of sidings 199, making a total of 1,263 miles of track laid. Total contracts for steel super-structures, bridges and viaducts awarded to date amounted to 49,084 tons, of which completed bridges totalled 16,598 tons and to be completed 32,486 tons.

May 5.—Mr. E. J. Chamberlin announces the early completion of new Lines into Regina and from Edson into the Coal-fields and immediate work on new Hotels for Winnipeg and Edmonton.

May 29.—The President states that construction between Winnipeg and the Coast will probably be completed in 1913. Of the Line east, under Government construction, he could not speak.

June 8.—An arrangement is made with Prince Rupert on the vexed assessment matter by which the Company agrees to pay $15,000 a year for ten years on local railway lands valued at several million dollars, to give the city 100 feet water-frontage, a number of pieces of city sections for parks, 60 acres for a cemetery site, and to start work at once on a costly dry-dock and station, machine shops, car-shops, round-houses, etc. This apparently constitutes Prince Rupert the definite Pacific terminus of the Railway.

Aug. 16.—Regina is, officially, created a Divisional point.

Aug. 28.—The contract for construction (410 miles) between Alderine in the Bulkley Valley and Tête Jaune Caché is awarded to Foley, Welch and Stewart—contractors for another 140-mile section.

Sept. 25.—Mr. S. N. Parent, Chairman of the Transcontinental Commission, announces his retirement in view of the change of Government at Ottawa. A little later R. W. Leonard was appointed sole Commissioner—Messrs. W. S. Calvert, C. F. McIsaac and C. A. Young also retiring.

Oct. 11.—It is stated that the following Lines are at present in operation: Fort William, via Winnipeg, Saskatoon, Edmonton and Edson to Fitzhugh, 1,472 miles; Prince Rupert to Copper River, 100 miles; Canora via Yorkton and Melville to Regina, 151 miles; Tofield, Alta., to Mirror, 70 miles. Total, 1,853 miles. There is also a total mileage of about 900 on other sections of the Northern Division, which is in partial operation by construction trains. The following Lines are under construction: Fitzhugh, Alta., to Copper River, B.C., 618 miles; Regina, Sask., via Moose Jaw, northwest, 93 miles; Regina, Sask., to International boundary, 90 miles; Young to Prince Albert, Sask., 120 miles; Oban to Battleford, Sask., 50 miles; Mirror, Alta., to Calgary, 124 miles; Biggar, Sask., southwest, 50 miles; Alberta Coal Branch, 60 miles.

Oct. 10.—At the annual meeting of the shareholders in Montreal, President C. M. Hays states that during the year track laying on the main line of the Western division has been extended from Wolf Creek to Fitzhugh, west of the Athabaska River in the Rocky Mountains, which is 1,027 miles west of Winnipeg and will be the divisional point for that section; that construction work was under full headway with night and day forces to Tête Jaune Caché on the Fraser River, beyond the Yellow Head Pass of the western slope of the Rocky Mountains; that it was expected that the track laying would reach this point, which is 1,094 miles west of Winnipeg, before the close of the year. On all portions of the Line which had been sufficiently completed, trains were in operation and a daily through freight and passenger service was established between Winnipeg, Edmonton and Edson. He announces that a chain of first-class modern hotels will be constructed, that a subsidy had been received from the Dominion Government for a floating dry-dock at Prince Rupert costing $2,200,000. On the Eastern Division—the National Transcontinental Line—a total construction of 1,228 miles of main track and 186 miles of side track was reported as laid and the remaining portions as being under contract. Hugh A. Allan retired from the Board and A. W. Smithers (Chairman), Sir H. M. Jackson, G. Von Chauvin, Colonel F. Firebrace, C. M. Hays (President), E. J. Chamberlin (General Manager), William Wainwright, E. H. Fitzhugh, W. H. Biggar, E. B. Greenshields, Hon. R. Dandurand, Hon. G. A. Cox, E. R. Wood, and J. R. Booth were elected Directors.

Nov. 16.—The Judicial Committee of the Privy Council decides in favour of the Company in an appeal case involving about $10,000,000 and connected with the original and amended contract between the Government and the Company as to guarantees. Owing to a decline in Canadian Government stock the guarantee arrangements did not provide sufficient capital, and the Supreme Court of Canada was of opinion that the liability on the part of the Government was a secondary liability only as guarantors, and that it rested with the Company to issue additional bonds which the Government was to guarantee. Lord Robson, in delivering the judgment of the Privy Council, states that Their Lordships were unable to accept the interpretation of the Supreme Court and would advise that the Appeal should be allowed.

Dec. 5.—Royal Assent is given to a Parliamentary enactment extending the Charter and Contract of the Company, giving it to Dec. 1, 1912, to finish the Prairie section and till Dec. 1, 1914, to finish the Mountain section. The Government retains the power to further limit the period for completion by Order-in-Council.

Dec. 19.—Mr. Chamberlin states at Winnipeg that on the Main Line the steel is laid 1,076 miles west of Winnipeg.

Dec. 29.—The announcement is made that 98 of the Company's new stations, out of the 150 contracted for in the spring, have been opened, that 27 are under construction, and that the balance will be completed early in 1912.

Dec. 31.—In connection with the Grand Trunk re-organization of the Executive certain Grand Trunk Pacific changes took place—together with some other appointments during the year:

2nd Vice-President	William Wainwright	Montreal.
3rd Vice-President	M. M. Reynolds	Montreal.
4th Vice-President	J. E. Dalrymple	Montreal.
Chief Freight and Traffic Manager	C. E. Dewey	Winnipeg.
Superintendent of Western Lines from Watrous to Edmonton	N. B. Walton	Wainwright.
District Passenger Agent	W. J. Quinlan	Winnipeg.

Mar. 31.—The total expenditure on Canadian Canals for the fiscal year is stated at $3,875,978; the traffic through the Canals for the Season of 1910 at 42,990,608 tons or an increase of 9,269,860 tons.

Mar. 31.—The Dominion and Steamship subsidies for the fiscal year 1911-12 are estimated at $2,053,767—including $600,000 on the Canada and Great Britain route.

Mar. 31.—The registered Canadian vessels in the year number 7,904, with a tonnage of 750,929; the British tonnage of 1910 is 12,319,650, and the next in National order is Germany with 2,959,933.

Mar. 31.—The Government Railway Expenditure of the fiscal year is stated at $36,301,979, of which $24,760,029 is charged to capital, and of the latter amount $23,488,208 is for the National Transcontinental, $184,149 for the Hudson's Bay Railway, and $227,563 for the Quebec Bridge.

Mar. 31.—The earnings of the Intercolonial Railway (Government line) for the fiscal year are $9,863,783, the working expenses, $9,595,976, the surplus $267,806.

June 13.—It is announced that J. J. Hill and the Great Northern have purchased the Charter of the Alberta Central Railway, running from the border to the Northern limits of that Province.

June 30.—The Railway business of this fiscal year is given in the following table from official sources:

Miles of Railway	25,400
Number of Passengers	37,097,718
Earnings from Passenger Service	$58,317,998
Tons of Freight Hauled	79,884,282
Revenue from Freight	$124,743,015
Total Earnings	$188,733,494
Operating Expenses	$131,033,785

June 30.—The total operating mileage of Express Companies in Canada is stated at 27,585 for the fiscal year; the gross receipts from operation at $9,913,018, less expense privileges of $4,553,861, and operating expenses of $4,151,227, leaving a net operating revenue of $1,207,928, and an actual balance for the year of $683,664.

June 30.—During 1911, $61,650,300 is added to the stock issue of railways operating in Canada, and $56,741,214 to funded debt—making a total of $118,391,514. These additions bring the aggregate capital liability up to $1,528,689,201.

Aug. 10.—It is announced that a contract for the construction of the first section of the Hudson's Bay Railway from The Pas to the Thicket Portage, a distance of 185 miles, has been awarded to J. D. McArthur, whose tender amounts to little more than three million dollars and is well within the estimate of probable cost, according to the Government's survey.

Dec. 31.—The following table of traffic cars illustrates the Railway efforts to keep pace with Western development:

Crop Year.	C.P.R.	C.N.R.	G.T.P.	G.N.R.	Total Cars.
1910	61,895	30,675	6,968	1,199	100,737
1909	72,658	32,799	5,451	4,089	114,997
1908	60,751	21,851	1,819	3,536	87,957
1907	46,027	16,532	.....	1,423	63,982

Dec. 31.—For the calendar year the aggregate of freight passing through Canadian Canals is 38,030,353 tons or a decrease of 4,960,255 tons from 1910. Of the total 5,389,070 is Vegetable produce, 28,716,457 tons Mineral produce. The total of Canadian Wheat passing through the Sault Ste. Marie Canals is 63,641,000 bushels.

XIII.—FINANCIAL INTERESTS OF THE YEAR.

Jan. 1.—The Weyburn Security Bank, lately the Weyburn Security Company, commences business at Weyburn, Sask., with Branches at Yellow Grass, McTaggart, Halbrite, Midale, Griffin, Colgate, Radville and Pangman. H. O. Powell is appointed General Manager.

Jan. 1.—It is stated that Canadian Banks have $47,000,000 of authorized but un-issued stock.

Feb. 1.—A Banquet is tendered Hon. George A. Cox, President of the Canada Life Assurance Co., in honour of his 50 years' service to and for that institution.

Mar. 30.—Mr. J. W. Mills, of the North America Life, is quoted as saying that lapsed Life policies in Canada total 60 millions a year.

June 12.—Sir Edmund Walker, President of the Canadian Bank of Commerce reads an important Paper on Canadian Banking before the Institute of Bankers, London.

Sept. 23.—R. P. McLennan, President of the Bank of Vancouver, states in Toronto that this new institution is making good progress and that French interests have taken a $250,000 block of its capital.

Oct. 17.—La Banque Internationale du Canada, organized by Mr. Rudolphe Forget and other Montreal capitalists, with the money and financial interests of Paris, France, chiefly concerned, opens at Montreal with $10,000,000 of authorized and subscribed capital—$7,675,000 taken up in France and $2,325,000 in Canada—and $1,000,000 of this paid-up. J. Godfrey Bird, late of the Bank of Toronto, is General-Manager and F. G. Ramsden, Inspector. Mr. Forget is President, R. Bickerdike, M.P., Vice-President and the Directors are Stanislas Badel, S. V. Chomereau-Lamotte, Georges Martin and Raoul Sautter of Paris, Sir George Garneau, Quebec and J. N. Greenshields, K.C., Montreal. Several Branches are at once opened.

Nov. 1.—A circular issued by the President of the Union Bank of Canada to the shareholders explains the reasons for the proposed transfer of the Head Office from Quebec to Winnipeg—chiefly the fact of 245 branches of which 159 are situated West of the Great Lakes.

Dec. 4.—Sir E. S. Clouston, Bart., retires from the General Managership of the Bank of Montreal and is succeeded by H. V. Meredith, Assistant General-Manager. This Bank is also appointed Financial Agent in London for the City of Montreal.

Dec. 31.—The fire losses in Canada during the year are estimated at $21,459,000

Dec. 31.—The Independent Order of Foresters have a record for 1911 of 33,963 applications for membership, $2,968,824 paid out in various Benefits, and $1,894,502 added to Accumulated Funds.

Dec. 31.—The Bank capital issued since 1900 totalled $43,824,000 and the amount in 1911 was $11,000,000.

Dec. 31.—Amongst the larger financial concerns organized during the year are the following:

Name.	President.	Capital.
Montreal-London Securities Corporation	J. N. Greenshields, K.C.	$2,000,000
Prudential Trust Co.	Lieut.-Col. J. H. Burland.	1,500,000
British and Colonial Land & Securities Co., Ltd.	Sir H. M. Pellatt	5,000,000
Canadian Coal and Coke Co., Ltd.	H. A. Lovett, K.C.	12,000,000
London and British North America Co.	Marlborough Pryor	£1,000,000

Dec. 31.—The Fire Insurance carried in Companies unlicensed to do business in Canada totals $191,038,071.

Dec. 31.—The Fire Insurance carried in Canada during 1911 includes a gross amount of Risks taken, $1,987,640,591, Premiums charged $26,742,544, net cash paid for Losses $10,937,159, net cash received for Premiums $20,572,180. The Canadian Companies Risks were 572,066,012; British Companies $998,101,547; United States and other companies, $417,473,032.

Dec. 31.—The Life Insurance statistics of the year include an Assurance in Force totalling $621,402,672 in Canadian Companies; $47,977,074 in British Companies and $268,362,118 in American Companies. Other figures are as follows:

Companies.	New Policies.	Premiums.
Canadian Companies	$110,586,784	$20,591,601
British Companies	5,530,859	1,601,283
American Companies	61,191,694	9,073,965

Dec. 31.—The Business Failures in Canada during 1910 and 1911 were, according to Bradstreets, as follows:

Provinces and Territories.	Assets. 1911.	Assets. 1910.	Liabilities. 1911.	Liabilities. 1910.
Ontario	$1,637,441	$1,932,977	$3,145,316	$4,843,934
Quebec	2,261,288	2,696,665	5,243,870	6,345,735
New Brunswick	427,105	1,261,605	831,094	1,982,051
Nova Scotia	258,710	187,130	408,199	391,966
Prince Edward Island	12,970	70,575	25,589	138,565
Manitoba	695,863	253,225	1,164,362	746,301
Alberta	278,056	110,934	530,015	225,225
Saskatchewan	171,214	194,675	371,067	351,858
British Columbia	657,000	253,361	1,079,489	499,469
Yukon Territory	.....	.....	.....	.....
	$6,399,647	$6,961,147	$12,799,001	$15,525,104

Dec. 31.—The more important Bank appointments of the Year were as follows:

Bank.	Position.	Name.
D'Hochelaga	Director	Lieut.-Col. C. A. Smart.
Sterling	Superintendent of Agencies	F. H. Marsh.
Merchants	Director	A. A. Allan.
Merchants	Director	C. C. Ballantyne.
Merchants	Inspector of Ontario Branches	A. C. Paterson.
Merchants	Superintendent of Western Branches	George Munro.
Merchants	Manager Winnipeg Branch	W. J. Finucan.
Commerce	Assistant General-Manager	John Aird.
Commerce	Superintendent, Central Western Branches	V. C. Brown.
Commerce	Manager at Toronto	Donald A. Cameron.
Commerce	Manager at Winnipeg	C. W. Rowley.
Commerce	Manager at Calgary	E. M. Saunders.
Commerce	Manager at Ottawa	Charles Cambie.
Sterling	Manager at Montreal	B. S. Walker.
Molsons	Director	David McNicoll.
Toronto	Director	Col. F. S. Meighen.
Dominion	Superintendent of Western Branches	F. L. Patton.
Traders	Director	J. B. Tudhope.
Union	Director	Stephen Haas
Northern Crown	Manager at Winnipeg	Cameron Bartlett.

Dec. 31.—The Bank Statistics of Canada at this date are as follows:

Total Assets	$1,390,069,518
Specie and Dominion Notes held	135,121,714
Call and Short Loans in Canada	72,640,526
Call and Short Loans elsewhere	92,106,695
Railway and other Bonds, Debentures and Stocks	64,889,452
Current Loans in Canada	774,909,172
Current Loans elsewhere than in Canada	37,970,839
Bank Premises	32,557,940

Deposits with Dominion Government for Security of Note Circulation	$5,811,192
Notes and Cheques of other Banks	62,065,361
Balances due from other Banks	20,740,243
Dominion, Provincial and Municipal Securities held	30,016,451
Total Liabilities	1,174,323,431
Capital Authorized	169,866,666
Capital Subscribed	118,836,066
Capital Paid Up	107,994,604
Amount of Reserve Fund	96,868,124
Notes in Circulation	102,037,305
Deposits by the public on demand in Canada	335,020,693
Deposits by the public payable after notice in Canada	591,068,932
Deposits elsewhere than in Canada	80,606,935

Bank Branches Opened or Closed in 1911

BANK OF HAMILTON.

Branches Opened.

Norwood ..... Man.
Leslie ..... Sask.

Branches Closed.

Franklin ..... Man.
Blackie ..... Alta.

THE DOMINION BANK.

Branches Opened.

Welland ..... Ont.
London ..... England.
Vancouver (Granville St.) .. B.C.
Calgary (Hillhurst) ..... B.C.
Edmonton (Norwood) ..... Alta.
Winnipeg (St. John's) ..... Man.

Branches Closed.

Summerberry ..... Sask.
Melville ..... Sask.

THE TRADERS BANK OF CANADA.

Branches Opened.

Halkirk ..... Alta.
Sutherland ..... Sask.

Branches Closed.

Golden City ..... Ont.
Kelso ..... Ont.

THE HOME BANK OF CANADA.

Branches Opened.

Toronto (Broadview and Elliott) ..... Ont.
Weyburn ..... Sask.
Delaware ..... Ont.

THE BANK OF BRITISH NORTH AMERICA.

Branches Opened.

Edmonton ..... Alta.
Kerrisdale ..... B.C.
Lampman ..... Sask.
Lytton ..... B.C.
North Vancouver ..... B.C. (Sub-branch.)
Rhein ..... Sask.
Verdun ..... Que.
Wakaw ..... Sask.

Branch Closed.

Lévis ..... Que.

THE MOLSONS BANK.

Branches Opened.

Teeswater ..... Ont.
Petrolia ..... Ont.
Montreal (Cote St. Paul) ... Que.
Montreal (St. Lawrence) ... Que.

THE METROPOLITAN BANK.

Whitevale (Sub-branch) ... Ont.

Branch Closed.

Maynooth ..... Ont.

THE BANK OF NEW BRUNSWICK.

Branches Opened.

St. John (Haymarket) ..... N.B.
Montreal ..... Que.
Yarmouth ..... N.S.

THE BANK OF NOVA SCOTIA.

Branches Opened.

Black River ..... Jamaica.
Port Daniel ..... Que.
Vancouver (Granville) ..... B.C.
Victoria ..... B.C.

Branches Closed.

Grand River ..... Que.
Rainy River ..... Ont.

THE BANK OF MONTREAL.

Branches Opened.

Grand Falls ..... Newfoundland.
West Summerland ..... B.C.
Suffield ..... Alta.
Athalmer ..... B.C.
Kamloops ..... B.C.
Port Haney ..... B.C.
Port Alberni ..... B.C.

THE BANK OF OTTAWA.

Branches Opened.

Avonlea ..... Sask.
Kelso Mines ..... Ont.
Grenville ..... Que.
Ottawa (Eastview) ..... Ont.
Ottawa, East ..... Ont.
Ottawa, South ..... Ont.
Star City ..... Sask.
Sudbury ..... Ont.
Timmins ..... Ont.
Winnipeg (St. James) ..... Man.

Branch Closed.

Kelso Mines ..... Ont.

AN IMPORTANT NEW BUILDING IN 1911—THE STANDARD BANK OF CANADA, TORONTO.

UNION BANK OF CANADA.

Branches Opened.

Halifax . . . . . N.S.
Jonquieres . . . . . Que.
Montreal (St. Catherine) . . . Que.
Ayr . . . . . Ont.
Brampton . . . . . Ont.
Cooksville . . . . . Ont.
Dundalk . . . . . Ont.
Eglinton . . . . . Ont.
Fisherville . . . . . Ont.
Orillia . . . . . Ont.
Ottawa (Bank St.) . . . . . Ont.
Ottawa (Somerset St.) . . . . . Ont.
Peterborough . . . . . Ont.
Cabri . . . . . Sask.
Cut Knife . . . . . Sask.
Gravelbourg . . . . . Sask.
Herbert . . . . . Sask.
Simpson . . . . . Sask.
Tompkins . . . . . Sask.
Viceroy . . . . . Sask.
Consort . . . . . Alta.
Grande Prairie . . . . . Alta.
Enderby . . . . . B.C.
Nanaimo . . . . . B.C.
New Hazelton . . . . . B.C.
Vancouver (Main St.) . . . . . B.C.
Vernon . . . . . B.C.
London . . . . . England.

Branches Closed.

Bridgenorth . . . . . Ont.
Irma . . . . . Alta.
Stirling . . . . . Alta.

THE NORTHERN CROWN BANK.

Branches Opened.

Imperial . . . . . Sask.
Liberty . . . . . Sask.

Branches Closed.

Waldron . . . . . Sask.
Athens . . . . . Ont.

IMPERIAL BANK OF CANADA.

Branches Opened.

Davisville . . . . . Ont.
South Porcupine . . . . . Ont.
Windsor . . . . . Ont.
Merritton . . . . . Ont.
Toronto (Dundas and Bloor) . Ont.
Toronto (Queen and Roncesvalles) . . . . . Ont.
Timmins . . . . . Ont.
Winnipeg (Portage Ave.) . . . Man.
Edmonton (North-end) . . . . . Alta.
Redcliff . . . . . Alta.
Medicine Hat . . . . . Alta.
Rocky Mountain House . . . . . Alta.
Wilmer . . . . . B.C.
Vancouver (Main St.) . . . . . B.C.
Quebec (St. Roch) . . . . . Que.
Montreal (St. Lawrence) . . . Que.

Branch Closed.

Moyie . . . . . B.C.

THE BANK OF VANCOUVER.

Branches Opened.

New Westminster . . . . . B.C.
Vancouver (Broadway) . . . . B.C.
Vancouver (Cedar Cottage) . B.C.
Hazelton . . . . . B.C.

THE BANK OF TORONTO.

Branches Opened.

Toronto (Dundas and Keele St.) . . . . . Ont.
Lyndhurst . . . . . Ont.
Ottawa . . . . . Ont.
Milton . . . . . Ont.
Penetanguishene . . . . . Ont.
Montreal (St. Lawrence) . . . . Que.
Montreal (Atwater and St. Antoine . . . . . Que.
Transcona . . . . . Man.
Colonsay . . . . . Sask.
Pelly . . . . . Sask.
Preeceville . . . . . Sask.
Stenen . . . . . Sask.
Aldergrove . . . . . B.C.
Vancouver (Hastings and Carrall) . . . . . B.C.
Merritt . . . . . B.C.
Coronation . . . . . Alta.
Mirror . . . . . Alta.

THE QUEBEC BANK.

Branches Opened.

Cap de la Madeleine . . . . . Que.
Stanfold . . . . . Que.
Hamilton . . . . . Ont.
Port McNicoll . . . . . Ont.
Bulyea . . . . . Sask.
Govan . . . . . Sask.
Herschel . . . . . Sask.
Saskatoon . . . . . Sask.
Strassburg . . . . . Sask.
Alix . . . . . Alta.
Vancouver . . . . . B.C.

Branch Closed.

Renfrew . . . . . Ont.

BANQUE PROVINCIALE.

Branch Opened.

Ottawa . . . . . Ont.

Branches Closed.

Ste. Gertrude . . . . . Que.
St. Pamphile . . . . . Que.

BANQUE INTERNATIONAL DU CANADA.

Branches Opened.

Montreal (St. James) . . . . . Que.
Montreal (Hochelaga) . . . . . Que.
Montreal (Papineau) . . . . . Que.
Montreal (St. Denis) . . . . . Que.
Verdun . . . . . Que.

BANQUE D'HOCHELEGA.

Branches Opened.

Montreal (Mount Royal) . . . Que.
Lachine . . . . . Que.

Branch Closed.

Farnham . . . . . Que.

STERLING BANK OF CANADA.

Branches Opened.

Toronto (Broadview) . . . . . Ont.
Toronto (Parliament and Wilton) . . . . . Ont.
Fingal . . . . . Ont.
Kerwood . . . . . Ont.

La Banque Nationale.

Branches Opened.

Bic (Sub-branch)	Que.
Lambton (Sub-branch)	Que.
Chateau Richer (Sub-branch.)	Que.
La Toque	Que.
Jonquieres	Que.
Roxton Falls (Sub-branch)	Que.
St. Cyrille de Wendover (Sub-branch.)	Que.
Ste. Eulalie (Sub-branch)	Que.
St. Fabien (Sub-branch)	Que.
St. Germain de Granthan (Sub-branch.)	Que.
St. Jude (Sub-branch)	Que.
St. Liboire (Sub-branch)	Que.
St. Stanislas (Sub-branch)	Que.
Yamaska East (Sub-branch.)	Que.

The Royal Bank of Canada.

Branches Opened.

Fort William	Ont.
Mulgrave	N.S.
New Waterford	N.S.
Port Morien	N.S.
Tignish	P.E.I.
Athabaska Landing	Alta.
Lacombe	Alta.
Magrath	Alta.
Medicine Hat	Alta.
Vermilion	Alta.
Blackfalds	Alta.
Bentley (Sub-branch)	Alta.
Bethune (Sub-branch)	Sask.
Craik	Sask.
Luseland	Sask.
Swift Current	Sask.
Courtenay	B.C.
Eburne	B.C.
Hope	B.C.
Kamloops	B.C.
Rosedale	B.C.
Sardis	B.C.
Vancouver (Granville St.)	B.C.
Bayamo	Cuba.
Ciego de Avila	Cuba.
Guantanamo	Cuba.
Puerto Padre	Cuba.
Sancti Spiritus	Cuba.
Trinity	Nfld.
Mayaguez	Porto Rico.
San Fernando	Trinidad.
Kingston	Jamaica.
Bridgetown	Barbados.

Branches Closed.

Clark's Harbour	N.S.
Dominion	N.S.
Crapand	P.E.I.

The Merchants Bank of Canada.

Branches Opened.

Vancouver (Hastings St.)	B.C.
Calgary (2nd St.)	Alta.
Chauvin	Alta.
Coronation	Alta.
Egerton	Alta.
Pincher Station	Alta.
Frobisher	Sask.
Moose Jaw	Sask.
Regina	Sask.
Hartney	Man.
Winnipeg (Bannerman Ave.)	Man.
Wallaceburg	Ont.

Canadian Bank of Commerce.

Branches Opened.

Toronto (Bloor & Dufferin)	Ont.
Salmon Arm	B.C.
S. Porcupine	Ont.
Willow Bunch	Sask.
Bengough	Sask.
Biggar	Sask.
Kelowna	B.C.
Tilley	Alta.
Cudworth	Sask.
Vernon	B.C.
Golden	B.C.
Radville	Sask.
Edam	Sask.
Beaverlodge	Alta.
Gruoard	Alta.
Calgary	Alta.
Briercrest (Mount Royal)	Sask.
Saskatoon (West Side)	Sask.
Vancouver (Powell St.)	B.C.
Duncan	B.C.

Branches Closed.

Durban	
Latchford	Ont.
Porcupine	Ont.
Brooking	
Tilley	

Eastern Townships Bank.

Branches Opened.

Charlemagne	Que.
St. Constant	Que.
St. Philippe de Laprairie	Que.
St. Fabien	Que.
Quebec	Que.
Foster	Que.
Victoria	B.C.
Naramata	B.C.
Summerland	B.C.

Branches Closed.

Mont St. Hilaire	Que.
Roxton Pond	Que.

Standard Bank of Canada.

Branches Opened.

Toronto (Avenue Rd.)	Ont.
Toronto (McCaul St.)	Ont.
Locust Hill	Ont.
Hillsdale	Ont.
Brantford (Eagle Pl.)	Ont.
Penhold	Alta.
Lamont	Alta.
Calgary (Crescent)	Alta.
Mundare	Alta.
Riceton	Alta.
Waseca	Sask.

XIV.—MISCELLANEOUS INCIDENTS.

Dec. 31.—The most active Provincial or individual Boards of Trade and Municipal bodies of a Provincial character in Canada during 1911, were as follows:

Name.	President.	Headquarters.
Maritime Provinces Board of Trade	Dr. Dunbar	Moncton.
Canadian Federation of Boards of Trade	P. Whelan	Ottawa.
Canadian Federated Boards of Trade	G. A. Vandry	Quebec.
Associated Boards of Trade of Ontario	W. J. Gage	Toronto.
Associated Boards of Trade of Western Canada	William Georgeson	Lethbridge.
Associated Boards of Southern Saskatchewan	Richard Loney	Regina.
Associated Boards of Trade of Southern Alberta	Dr. C. U. Leech	Lethbridge.
Associated (Pembina Branch) Boards of Trade	T. J. Lawlor	Killarney.
Fraser Valley Progressive Association	Reeve Wilson	New Westminster.
Associated Boards of Trade of Eastern British Columbia	F. A. Starkey	Nelson, B.C.
Union of Canadian Municipalities	J. W. McCready	Montreal.
Ontario Municipal Association	F. S. Spence	Toronto.
Union of New Brunswick Municipalities	Councillor Siddall	Fredericton.
Union of Nova Scotia Municipalities	A. S. McMillan	Halifax.
Union of Saskatchewan Municipalities	Mayor Bee	Regina.
Saskatchewan Union of Rural Municipalities	J. H. Smith	Yellow-Grass.
Union of British Columbia Municipalities	A. E. Planta	Nanaimo.

Feb. 21.—The 1st Annual meeting of the Associated Boards of Trade of Ontario is held with Delegates present from many parts of the Province—including Toronto, London, Galt, Guelph, Kingston, Belleville, Brantford, Haileybury, Sault Ste. Marie, Welland, St. Thomas, Berlin, Ingersoll, North Bay and Hamilton. Resolutions are passed in favour of the appointment of a Royal Commission to investigate the question of improving agricultural conditions and a Publicity campaign in Great Britain through the Provincial Immigration Office at London; of the promotion of Technical Education in the public schools and of a general adoption of the County highway system of improving roads. By a substantial majority a motion denouncing Reciprocity with the United States is also approved. So is a Resolution in favour of enlarging and deepening the Welland Canal as of "the most urgent importance to Canada." It is unanimously resolved that "the development of New Ontario is of paramount importance to the whole Province"; that splendid results had already been achieved but that an active policy of further Railway construction was essential; that the Provincial Railway should be extended southward. Officers are elected as follows: President, W. J. Gage, Toronto; 1st Vice-President, H. T. Reason, London; 2nd VicePresident, H. W. Richardson, Kingston; 3rd Vice-President, T. C. Simpson, Sault Ste. Marie; Sec.-Treasurer, F. G. Morley, Toronto.

Oct. 4.—The 4th Ecumenical Methodist Conference meets in Toronto with 500 delegates—chiefly from the British Empire and the United States.

SOME APPOINTMENTS OR ELECTIONS OF THE YEAR.

Moderator Presbyterian General Assembly	Rev. Dr. R. P. McKay	Toronto.
President Royal Society of Canada	Prof. R. Ramsay Wright	Toronto.
President, Ontario Historical Association	David Williams	Collingwood.
President, Royal Canadian Academy	William Brymner	Montreal.
President, Canadian Press Association	C. W. Young	Cornwall.
General Superintendent of Presbyterian Missions	Rev. Dr. A. S. Grant	Toronto.
R.C. Archbishop of Kingston	Rev. Michael J. Pratt	Belleville.
R.C. Bishop of Regina	Rev. O. E. Mathieu, D.D., C.M.G.	

University Honorary Degrees Conferred in 1911.

Institution.	Name.	Place.	Degree.
Queen's University	Rev. W. Chambers	Bardizag, Turkey	D.D.
" "	Rev. Alex. MacLáchlan	Smurian	D.D.
" "	Dr. George E. Armstrong	Montreal	LL.D.
" "	Adam Shortt, M.A.	Ottawa	LL.D.
" "	Nathan F. Dupuis, M.A.	Kingston	LL.D.
University of Toronto	Rt. Hon. Sir Charles Fitzpatrick	Ottawa	LL.D.
" "	Dr. E. R. L. Gould, B.A., Ph.D.	New York	LL.D.
" "	Wilfrid T. Grenfell, C.M.G.	Labrador	M.D.
Victoria University	Rev. James Chapman	London	D.D.
" "	Rev. Edwin Dalton	Hull	D.D.
" "	Rev. Henry Haigh	Newcastle	D.D.
" "	Rev. H. T. Lewis, D.D.	Westminster, Eng.	D.D.
" "	Rev. G. Packer	Leeds, Eng.	D.D.
" "	Rev. John O. Parks, B.A.		D.D.
" "	Rev. Bishop Smith, D.D.	Detroit	D.D.
" "	Rev. Bishop Walden, D.D.	Cincinnatti	D.D.
" "	Rev. Bishop A. W. Wilson	Baltimore	D.D.
McMaster University	Sir G. W. MacAlpine	London	LL.D.
" "	Rev. Dr. R. S. MacArthur	New York	LL.D.
" "	Rev. F. B. Meyer	London	D.D.
" "	Rev. John W. Ewing	London	D.D.
" "	Rev. Charles Brown	London	D.D.
" "	Rev. Reuben Saillens	Paris	D.D.
Trinity University	Rt. Rev. A. U. du Pencier	New Westminster	D.D.
Knox College	Rev. John Thompson	Ayr	D.D.
Laval University	Hon. Auguste Tessier	Quebec	LL.D.
" "	Hon. Blais Letellier	Quebec	LL.D.
McGill University	Hon. Sir Lomer Gouin	Quebec	LL.D.
" "	Rt. Hon. Sir Charles Fitzpatrick	Ottawa	LL.D.
" "	G. W. Parmalee, B.A., D.C.L.	Quebec	LL.D.
" "	Hon. E. W. P. Guerin	Montreal	D.C.L.
" "	S. E. Dawson, C.M.G.	Ottawa	LL.D.
" "	Rev. Jean C. Bracq	New York	LL.D.
" "	Prof. L. F. Barker, M.D.	Baltimore	LL.D.
" "	Prof. W. T. Councilman	Harvard	LL.D.
" "	Dr. E. P. Lachapelle	Montreal	LL.D.
" "	Prof. A. B. Macallum, F.R.S.	Toronto	LL.D.
" "	Prof. R. A. Reeve	Toronto	LL.D.
" "	Prof. A. J. Smith	Pennsylvania	LL.D.
" "	John Stewart, M.D.	Halifax	LL.D.
" "	John Collins Warren	Harvard	LL.D.
" "	Hon. Henry E. Young	Victoria	LL.D.
" "	H.R.H. the Duke of Connaught	Ottawa	LL.D.
Dalhousie University	Hon. W. S. Fielding, M.P.	Halifax	LL.D.
" "	E. L. Newcombe, K.C.	Ottawa	LL.D.
Acadia University	W. E. Roscoe, M.A., K.C.	Kentville	LL.D.
" "	E. D. King, K.C.	Dartmouth	LL.D.
" "	Rev. J. H. McDonald	Fredericton	LL.D.
King's College	Rev. H. D. Deblois, M.A.	Halifax	D.C.L.
" "	Thomas Trenaman, M.D.	Halifax	D.C.L.
Manitoba University	Sir D. H. McMillan	Winnipeg	LL.D.
" "	Dr. R. A. Falconer	Toronto	LL.D.

Provincial Educational Appointments of 1911

Institution.	Appointment.	Name.
Alberta Presbyterian College	Principal	Rev. S. W. Dyde, D.D.
Alberta College, Edmonton	Professor of Systematic Theology	Rev. C. E. Bland, B.A.
Alberta College, Edmonton	Professor of Homiletics	Rev. C. W. Bishop, B.A.
Mount Royal College, Calgary	President	Rev. George W. Kerby.
University of New Brunswick	Professor of French and German	Alex. J. Apphvall, M.A.
University of Mount Allison College	President	Rev. B. C. Borden, D.D.
University of Mount Allison College	Professor of Homiletics	Rev. G. M. Campbell, D.D.
Acadia University, Wolfville	Professor of Latin	W. H. Thompson, M.A., Ph.D.
University of Dalhousie College	President	Prof. A. S. Mackenzie, B.A.
University of Dalhousie College	Board of Governors	Prof. Stanley Mackenzie, Ph.D.
University of Dalhousie College	Professor of History and Political Economy	J. A. Estey, B.A.
University of Dalhousie College	Professor of Pathology and Bacteriology	Dr. M. A. Lindsay, B.Sc.
University of Dalhousie College	Professor of Physiology and Histology	D. Fraser Harris, M.D., D.Sc.
McGill University	Professor of Civil Law	P. B. Mignault, K.C.
Macdonald College of Agriculture	Principal	T. C. Harrison, F.R.S.C., D.Sc.
Macdonald College of Agriculture	Professor of Animal Husbandry	H. Barton, B.S.A.
Montreal Wesleyan College	Principal	Rev. James Smyth, B.A., LL.D.
McGill University	Professor of Physiology	Dr. N. H. Alcock.
McGill University	Professor of Applied Mechanics	Ernest Brown, M.Sc.
University of Saskatchewan	Professor of Physics	J. L. Hogg, B.A., Ph.D.
Upper Canada College	Vice-Principal	W. S. Jackson, B.A.
Upper Canada College	Chairman Board of Governors	W. H. Gooderham.
McMaster University	Chancellor	Prof. A. L. McCrimmon, Ph.D.
Toronto Technical High School	Principal	Dr. A. C. McKay.
University of Toronto	Professor of Metallurgy	George A. Guess, M.A.
Queen's University, Kingston	Professor of Anatomy	E. G. Kidd, M.D.
Queen's University, Kingston	Professor of Mathematics	John Matheson.
Queen's University, Kingston	Professor of Mental Philosophy	A. S. Ferguson.
Queen's University, Kingston	Chairman of the School of Mining	D. M. McIntyre, K.C

CANADIAN OBITUARY IN 1911.

Name.	Particulars.	Place of Death.	Date.
Aikins, B.A., ex-M.L.A., James Somerset		Winnipeg	May 5.
Allan, John	Building contractor	Montreal	June 15.
Almon, B.A., Rev. Canon Foster Hutchinson	One-time Rector of Trinity Church, Halifax	Dartmouth	Feb. 9.
Andras, Ph.D., John William Gay	Lecturer Toronto University.	Toronto	Feb. 1.
Arnold, K.C., Orville Montrose	President Muskoka Conservative Association	Bracebridge	July 12.
Aylesworth, Charles Francis	Ex-Inspector of Colonization Roads, Ontario	Madoc	June 29.
Baird, K.C., James	Crown Attorney for York	Toronto	July 4.
Barrow, Robert Shepherd	Manager Union Bank	Winnipeg	Dec. 14.
Beatty, ex-M.L.A., Walter.		Brockville	Jan. 5.
Beckwith, Harry	Mayor of Fredericton	Fredericton	Jan. 2.
Bell, M.D., James	Consulting Surgeon to Montreal General Hospital	Montreal	Apl. 11.
Bennet, Rev. William	Pioneer Methodist Minister.	Peterborough	May 10.
Best, Henry	One-time Mayor of Peterborough	Peterborough	Jan. 16.
Biggs, K.C., ex-M.L.A., Samuel Clarke	One-time Minister of Public Works in Manitoba	Toronto	Sept. 27
Blackburn, Stephen	Founder of the London *Free Press*	Glencoe	May 17.
Bog, Lieut.-Col. Thomas.	"Father of the 16th Regiment"	Picton	Aug. 8.
Boyle, LL.D., David	Provincial Archæologist of Ontario	Toronto	Feb. 14.
Brady, James	Twenty years Sheriff of Oxford County	Woodstock	Sept. 29.
Brooks, Thomas	Well-known Farmer and speaker	Brant Township.	July 1.
Burnham, Henry Hamilton	President Midland Loan & Savings Co.	Port Hope	Dec. 27.
Burke, Michael	Vice-President City & District Savings Bank	Montreal	Nov. 19.
Carling, K.C.M.G., Hon. Sir John	One-time Minister of Agriculture in Ontario and at Ottawa	London	Nov. 6.
Carmichael, D.D., Rev. James A.	Superintendent of Presbyterian Home Missions in Manitoba and Saskatchewan since 1902	Winnipeg	Nov. 11.
Cauldwell, William	Chairman Montreal Branch Canadian Manufacturers Association, 1909-10	Montreal	June 19.
Cayley, B.A., Rev. Canon John D'Arcy	Anglican Divine	Muskoka	Aug. 20.
Chevrier, Hon. Noé	Senator of Canada	St. Boniface	Oct. 9.
Cleghorn, James Power.	Ex-President Montreal Board of Trade	Montreal	Dec. 17.
Crothers, M.A., D.D., Rev. William John	Methodist Divine	Preston	Dec. 22.
Cutler, Thomas Mallocks	Secretary of Acadia Sugar Refining Co. since 1882.	Dartmouth	Feb. 6.
Daly, K.C., ex-M.P., Hon. Thomas Mayne	Dominion Minister of the Interior in 1892-1906	Winnipeg	June 24.
Davidson, James	One-time Mayor of Ottawa.	Ottawa	Oct. 7.

Name.	Particulars.	Place of Death.	Date.
Davidson, M.A., D.C.L., Rev. James Burroughes	Archdeacon of Bedford	Montreal	May 7.
Davie, M.D., John Chapman	Prominent Physician	Victoria	Aug. 10.
Davies, ex-M.L.A., ex-M.P., Daniel	Member P. E. Island Legislature before Confederation	Charlottetown	May 11.
Deacon, K.C., Thomas	County Court Judge of Renfrew	Pembroke	Mar. 19.
Delamere, M.A., K.C., Thomas Dawson	Prominent Barrister	Toronto	Mar. 17.
Descarries, Leon	25 years Secretary-Treasurer Notre Dame de Grace.	Montreal	Jan. 7.
Dewey, M.A., D.D., Rev. Finlay McNaughton	23 years Pastor of Stanley St. Church, Montreal	Scotland	Apl. 14.
Du Moulin, D.D., D.C.L., Rt. Rev. John Philip	Anglican Bishop of Niagara since 1896	Hamilton	Mar. 28.
Dyer, ex-M.P., Eugene A.	One-time Warden of Brome County	Sutton, Que.	Dec. 2.
Earle, ex-M.P., Thomas	Pioneer Miner and contractor	Victoria	July 13.
Ellegood, M.D., D.C.L., Rev. Jacob	Canon of Christ Church Cathedral, Montreal	Montreal	Dec. 3.
Ellis, M.A., LL.D., F.R.S.C., Robert Wheelock	Geologist of the Geological Survey of Canada	Ottawa	May 23.
Fagney, Rev. Francois Xavier	One-time Professor of Literature in Quebec Seminary	Quebec	Sept. 2.
Fairbairn, ex-M.P., Chas.		Toronto	Apl. 26.
Fairweather, K.C., Arthur.	Prominent Barrister	St. John	May 7.
Falconer, D.D., Rev. Alexander	Ex-Moderator of Presbyterian General Assembly.	Elmdale, N.S.	July 23.
Ferguson, M.D., Alexander Hugh	Eminent Chicago Surgeon	Chicago	Oct. 20.
Ferguson, Mary Laura	Ex-President Quebec Association of Protestant Teachers	Montreal	Jan. 30.
Fisher, John	Six years Mayor of North Toronto	Toronto	May 28.
Fleck, D.D., Rev. James	33 years Pastor of Knox Church, Montreal	Belfast	Jan. 8.
Forget, Hon. Louis Joseph	Senator of Canada	Nice	Apl. 7.
Fowler, Samuel	Ontario Journalist	Kingston	Aug. 21.
Fox, M.L.A., Samuel		Lindsay	July 8.
Fraser, Edward Drummond	Toronto Financier and Broker	Toronto	Apl. 9.
Fyshe, Thomas	General-Manager Merchants Bank of Canada, 1897-1906	Montreal	Nov. 26.
Galt, Amy (Torrance), Lady	Widow of Sir A. T. Galt	Montreal	Apl. 6.
Garneau, M.L.C., Hon. Edouard Burroughs	One-time President Quebec Board of Trade	Quebec	Aug. 18.
Ghent, David Albert	1st Canadian maker of Safety Bicycles	Toronto	July 7.
Gibson, Richard A.	One-time President of American Shorthorn Association	Delaware	May 9.
Gifford, Ph.D., Rev. Gorham A.	Pioneer Methodist Minister.	Stratford	Oct. 20.
Girouard, D.C.L., LL.D., Hon. Desiré	Judge of the Supreme Court of Canada since 1895	Ottawa	Mar. 22.
Giroux, Rev. Louis Raymond	One-time Professor and Rector of St. Boniface College, Manitoba	St. Anne	Nov. 11.
Globensky, D.D.S., Stephen.	President Quebec Province Dental Association	Montreal	Apl. 22.

Name.	Particulars.	Place of Death.	Date.
Graham, Henry	Collector of Customs and ex-Mayor	St. Stephen	Apl. 9.
Greening, Samuel Owen.	President B. Greening Wire Co.	Hamilton	Aug. 31.
Gregory, B.A., Rev. Arthur Ronald	Principal Westminster Ladies College	Toronto	Oct. 22.
Griffin, George D.	Canadian Journalist and noted advocate of Protection	Toronto	Mar. 13.
Hall, M.D., Francis Walter	Prominent British Columbia Physician	Victoria	Oct. 3.
Hall, John T.	Publicity Commissioner at Brandon, Medicine Hat and, finally, Lethbridge	Lethbridge	Sept. 10.
Hall, Robert	Pioneer of Western Manitoba	Brandon	Feb. 1.
Hamel, K.C., O. M.		Quebec	Jan. 10.
Harris, B.A., D.D., Rev. Elmore	Eminent Baptist Divine and religious author	India	Dec. 20.
Harwood, Henry Stanislas	Postmaster of Montreal	Vaudreuil	Aug. 28.
Hatton, William John.	Judge of County Court of Grey	Owen Sound	June 10.
Hetherington, M.D., Geo. A.	Superintendent Provincial Lunatic Asylum	St. John	June 15.
Hewitt, John	Treasurer, Ontario West Grand Orange Lodge	Toronto	Mar. 13.
Higginbotham, Lieut.-Col. Nathaniel	Registrar of South Wellington	Guelph	Jan. 9.
Hill, Rev. James Edgar.	Pastor of St. Andrew's Church	Montreal	Mar. 3.
Hodgson, M.A., John E.	Principal Campbellford High School	Toronto	May 5.
Holly, M.L.C., Hon. James	New Brunswick Politician.	St. John	May 31.
Hooper, Samuel	Provincial Architect of Manitoba	London	Oct. 19.
Houston, M.A., D.C.L., Very Rev. Stewart	Dean of Niagara	Toronto	Oct. 2.
Hungerford, William Arthur	Prominent Mining Engineer.	Madoc	Aug. 15.
Hunt, William E.	Journalist	Montreal	Dec. 25.
Hunter, D.D., Rev. William John	Eminent Methodist Minister	Toronto	Apl. 1.
Hussey, Frederick Stephen	Superintendent B. C. Provincial Police	Victoria	July 21.
Johnson, D.C.L., Hon. F.S.S., George	Dominion Statistician at Ottawa, 1891-1904	Grand Pré, N.S.	Jan. 17.
Johnston, Frederick William	District Judge of Algoma	S. A. Marie	Jan. 6.
Johnston, Ross	Deputy Registrar of Ontario County	Whitby	June 3.
Joly de Lotbiniére, Edmund Gustave		Point Platon, Que.	July 15.
Kenny, James Joseph	One-time Managing-Director of British America and Western Assurance Companies, Toronto	Soquel, Cal.	Apl. 10.
Killam, ex-M.L.A., Frank.		Yarmouth	Apl. 23.
LaMothe, Guillaume Jean Baptiste	Chief of Police, Montreal, 1861-5; Postmaster of Montreal, 1874-91	Montreal	Jan. 27.
Lawson, J.P., ex-M.P., Peter		Port Dover	Mar. 22.
Lenny, James	Pioneer B. C. Railway Contractor and Lumberman.	New Westminster	May 11.
Love, Francis	11 years Police Magistrate.	London	Jan. 5.
Lucas, D.D., Rev. Daniel VanNorman	Eminent Methodist Preacher.	Hamilton	June 11.

Name.	Particulars.	Place of Death.	Date.
Lytle, Thomas Alexander	Manufacturer and Alderman.	Toronto	Apl. 12.
Mason, John Herbert	One-time President Canada Permanent Mortgage Corporation	Toronto	Dec. 9.
Matthews, Wilbur Cassius.	General-Manager in Canada for Dun's Agency	Toronto	Nov. 1.
Meighen, Robert	President Lake of the Woods Milling Co.	Montreal	July 13.
Miles, R.C.A., John C.	Well-known artist and portrait painter	St. John	Dec. 2.
Miner, Stephen Henderson Campbell	President of Granby (B.C.) Consolidated Mining Corporation	Granby, Que.	June 9.
Minty, George Dyett.	Prominent Winnipeg Barrister	Winnipeg	July 2.
Moore, ex-M.P., Alvean Head	Many years Mayor of Magog, P.Q.	Magog	Feb. 20.
Morin, M.P., Jean Baptiste	One-time Warden of Dorchester County	St. Henedine.	Feb. 20.
Mott, K.C., ex-M.L.A., William Albert	One-time Mayor of Campbelltown	St. John	Dec. 1.
Motz, John	Sheriff of Waterloo County.	Berlin	Oct. 29.
Mowatt, D.D., Rev. Andrew Joseph	Prominent Presbyterian Divine	Montreal	Feb. 19.
Munro, Alexander	One-time Senior Factor Hudson's Bay Co.	Victoria	Feb. 27.
MacMahon, Hon. Hugh.	Judge of the High Court of Ontario	Toronto	Jan. 18.
McCrimmon, Neil	Judge of Ontario County.	Whitby	June 12.
McEvay, D.D., Most Rev. Fergus Patrick	R. C. Archbishop of Toronto	Toronto	May 17.
McFee, B.A., Kuntosoff Nicholson	Prominent Canadian Business Man in England.	London	Dec. 18.
McGillivray, K.C., ex-M.P., Lieut.-Colonel John Alexander	Supreme Secretary of the Independent Order of Foresters for many years.		
McGregor, Donald Shaw.	Mayor of Rosthern, Sask.	Rosthern	June 30.
McKay, Francis Lees.	Mayor of Indian Head, Sask.	Indian Head.	Mar. 4.
McKinnon, Sydney Finlay	Prominent Toronto merchant	London, Eng.	Aug. 4.
McMichael, Isaac	Vice-President and General-Manager G. N. W. Telegraph Co.	Baltimore, Md.	Feb. 22.
Nay, John Wallace.	Western financier	Regina	Aug. 29.
Niven, Alexander	Prominent Land Surveyor.	Toronto	May 7.
O'Brien, Peter	One-time County Court Judge of Prescott and Russell	Ottawa	Jan. 10.
O'Connor, D.D., C.S.B., Most Rev. Denis	One-time R. C. Archbishop of Toronto	Toronto	June 30.
Ogilvie, Sr., James A.	Prominent Business man.	Montreal	Apl. 27.
Patrick, M.A., D.D., Rev. William	Principal of Manitoba College, Winnipeg.	Kirkintilloch	Sept. 28.
Peirson, Joseph	Secretary of the Navy League	Victoria, B.C.	Nov. 8.
Pelletier, K.C.M.G., K.C., LL.D., Hon. Sir Charles Alphonse Pantaléon.	Lieut.-Governor of Quebec.	Quebec	Apl. 29.
Pickering, Rev. John.	One-time President Hamilton Methodist Conference.	Toronto	Jan. 21.
Plummer, William H.	Ten years Mayor of Sault Ste. Marie	Winnipeg	Oct. 13.
Prentice, ex-M.L.A., James Douglas	Member of B. C. Provincial Government, 1900-3	Lilloet	Oct. 24.

Name.	Particulars.	Place of Death.	Date.
Pringle, Thomas	Eminent hydraulic and mechanical Engineer	Montreal	May 7.
Ramsden, John Alfred	County Clerk of York and Chief of County Police	Toronto	Oct. 2.
Read, K.C., Walter James		Toronto	May 7.
Richey, K.C., D.C.L., Matthew Henry	Lieut.-Governor of Nova Scotia, 1883-8.	Halifax	Feb. 21.
Ridout, Thomas Gibbs	Well-known barrister	Toronto	Aug. 23.
Ritchie, Grace Vernon (Nicholson), Lady	Widow Chief Justice Sir William Ritchie	Ottawa	May 7.
Rivers, Lieut.-Colonel Victor Brereton		Ottawa	Sept. 25.
Robb, Alex. Wesley	Postmaster and Police Magistrate of Walkerton	Walkerton	Nov. 22.
Robertson, Charles Robert	Journalist	Brighton, Eng.	Feb. 22.
Robison, M.L.A., Thomas		Harvey Station	Mar. 5.
Robson, D.D., Rev. Ebenezer	Leader and Pioneer in B. C. Methodism	Vancouver	May 4.
Roden, Ephraim Parsons	Chairman and for 23 years member Toronto School Board	Toronto	Aug. 7.
Rogers, Sr., Benjamin	President Rogers Hardware Co., Grand Master Charlottetown, P.E.I., Masons.	Charlottetown	Jan. 23.
Rogers, K.C., LL.D., R. Vashon		Kingston	May 2.
Rogers, Samuel Augustus	B. C. Pioneer and one-time Sheriff of Cariboo; member of Legislature	Barkerville	June 4.
Ross, M.D., James Frederick William	Professor of Gynæcology University of Toronto	Toronto	Nov. 17.
Ross, Israel Merritt	Western Engineer, Railway contractor and Financier.	Winnipeg	May 25.
Seguin, George W	One-time Secretary of the Ottawa Street Railway	Ottawa	Dec. 6.
Schwitzer, B.A.Sc., John Edward	Chief Engineer Canadian Pacific Railway	Montreal	Jan. 23.
Sicotte, Louis Wilfrid	Judge of Sessions for Quebec Province	Vaudreuil	Sept. 5.
Shaw, Charles Lewis	Well-known journalist	Winnipeg	June 15.
Shaw, M.A., D.D., LL.D., D.C.L., Rev. William Isaac	President Wesleyan Theological College	Montreal	Mar. 11.
Shewan, M.A., Alexander	Principal Lansdowne Protestant School	Montreal	May 4.
Smith, Charles McKelvers	Pioneer of British Columbia	Victoria	Nov. 24.
Snyder, Frederick William	Pioneer business and financial man	Berlin	Dec. 25.
Spencer, Charles Worthington	General-Manager of Transportation, C.P.R.	Montreal	Nov. 23.
Stewart, James	Manitoba and Saskatchewan Pioneer	Prince Albert	Jan. 4.
Stockton, B.A., LL.B., Robert Oldfield	Prominent lawyer and Registrar of the Admiralty and Exchequer Courts	St. John	Feb. 5.
Tait, ex-M.L.A., Joseph	Registrar of Toronto Surrogate Court	Toronto	Mar. 18.
Teefy, M.A., LL.D., Rev. John Read	One-time Principal of St. Michael's College	Toronto	June 10.
Teefy, Matthew	60 years Postmaster at Richmond Hill, Ont.	Richmond Hill	Dec. 19.
Tilden, John H	One-time Head of the Gurney-Tilden Co.	Hamilton	Feb. 1.

Name.	Particulars.	Place of Death.	Date.
Travis, Jeremiah	Western Pioneer; Stipendiary Magistrate of the North-West Territories	Calgary	Apl. 27.
Tully, A.R.C.A., Miss Sydney Strickland		Toronto	July 18.
Tunstall, George C.	Government Agent, Gold Commissioner for Eastern Yale Division, Stipendiary Magistrate	Kamloops	Jan. 10.
Vernon, ex-M.L.A., Forbes George	One-time Chief Commissioner of Lands and Works, British Columbia.	London	Jan. 19.
Whelan, Peter	Pioneer Lumberman	Ottawa	Mar. 17.
White, K.C., ex-M.L.A., Solomon	Mayor of Cobalt	Cobalt	Nov. 11.
Williamson, George	Mayor of Sherbrooke, P.Q.	Sherbrooke	Jan. 18.
Wilson, Major-General James Frederick	Commandant Royal School of Artillery and Inspector for Quebec District, 1897-1907	Montreal	Apl. 12.
Wilson, James	Parks Commissioner of Toronto	Kamloops	Oct. 2.
Wilson, Jarvis	Pioneer Lumber merchant of New Brunswick	St. John	Feb. 27.
Wiltshire, Henry Horace.	Member of Staff Toronto *Mail and Empire* since 1884 and known as *The Flaneur*	Toronto	Feb. 14.
Wiser, ex-M.P., John Philip	President J. P. Wiser & Sons, Ltd.	Prescott	Apl. 30.
Wolfenden, L.S.O., V.D., Lieut.-Colonel Richard.	King's Printer for B. C. since 1863	Victoria	Oct. 5.

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Special Supplement

Including important Financial Addresses of the year and Historical Sketches of Leading Canadian Institutions, compiled and written by the Editor from original sources and documentary data.

ANNUAL REVIEW OF CANADA'S FINANCIAL AND COMMERCIAL INTERESTS

By

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President of the Canadian Bank of Commerce

Toronto, January 9, 1912

The progress of the Bank during the past year has been so gratifying and the subjects to which the General Manager has been asking your attention are so important that I feel less confidence than usual in taking up your time merely to review some of those features of the prosperity of the country with most of which you are already familiar. As you all know the year has been a momentous one for Canada in directions which cannot be discussed here, but on the purely business side it has demonstrated in an unusual degree the fact that the general progress of such a large area as Canada is likely to be accompanied by untoward as well as fortunate events.

The totals of our imports and exports for the fiscal year of the Dominion, ending March, 1911, are again record figures. Our imports were $472,194,000 and our exports $297,196,000, the balance against us being the large sum of $174,998,000, not far from the balances of any two previous years put together. The total trade was $769,390,000, against $693,161,000 a year ago. The significant fact, however, is that while our imports increased $80,391,000 our exports declined $4,162,000. This is of course principally due to very free imports in anticipation of the present large cereal crop; to the increase in railroad construction and public and private building; and to larger immigration, the value of such settlers' effects as are declared, appearing as imports. It is also partly due to somewhat larger imports of gold bullion and silver. For the first six months, ending September, 1911, of the current fiscal year, the figures are even more striking, the imports being $266,187,000 and the exports $141,865,000, the balance against us for the six months being $124,322,000 as against

$94,404,000 for the corresponding period in 1910. The imports for the half-year in 1911 include, however, an increase of about $7,500,000 in gold coin. An examination of the items of imports and exports in the trade returns will suggest many explanations for the respective increases and decreases, but the fact remains that we must enlarge the volume of products we have to export and either lessen our imports by curtailment of expenditure or by manufacturing at home many of the articles we buy abroad, especially from the United States. Our trade with that country, always one-sided, is growing more so. During the fiscal year ending March, 1911, we bought from them $293,403,000 and sold them $119,203,000, leaving a balance in their favour to be paid in cash of $174,200,000, over $50,000,000 more than in any previous year. In 1901 our total trade with them was $191,689,000 and in ten years it has grown to $412,606,000 or an increase of 115 per cent. The part we have to pay in cash has, however, grown from $46,924,000 to $174,200,000, or by 271 per cent.

Our trade with Great Britain makes the worst showing for many years. The imports have grown to $110,390,000 while the exports have fallen to $137,158,000, leaving a balance in our favour of only $26,768,000, a much smaller sum than in any of the last ten years. In spite of the decrease our exports are still the largest for any year except the previous one, but the volume of imports is much greater than ever before. It is useless to repeat arguments often advanced in other years. Few nations have such an alluring future and few can afford to mortgage their future to such an extent, but our power to do so depends upon our credit and there are those in England who are asking whether we are not borrowing too much. There is of course one great reason why we must go more and more largely into debt for many years to come. At present we are preparing for the settlement of about 400,000 immigrants in one year. This is an addition of five per cent. to our population, or the same as if 4,500,000 new people entered the United States in one year. To provide everything for these people, from transportation to housing, is a high task, quite large enough to account for more than the difference between our imports and exports. Not only must the improvements necessary to create many new farming districts be made, but new towns, and great additions and improvements to older ones, are required; indeed, betterments of all kinds throughout the community. More important than all, two new transcontinental railway systems must be completed and many branch lines added to our three systems. There is, therefore, little cause for wonder that we need so much new money every year. The import returns show settlers' effects at only $14,000,000, doubtless far below the actual value, but the main part of the settler's property consists of money. The estimated wealth of the new settlers for 1911 based on the lowest experience of several years is about $160,000,000.

The revenues and expenditures of the Federal Government show plainly the growth of the country as a whole. Apparently the ordinary revenue for the year ending 31st March, 1912, will be between $130,000,000 and $140,000,000, as compared with $117,780,000 in 1911 and with $36,000,000 in 1896, only 15 years ago. Thus far the new capital expenditure estimated at about $46,000,000 for the year, has been met out of revenue.

The clearing house returns of twenty cities for 1911 were $7,336,866,000, against $6,153,701,000 for seventeen cities in 1910, a gain of 19 per cent.; the gain between 1909 and 1910 being 18 per cent.

The building permits of the chief cities again illustrate the rate of growth in Canada.

	1910.	1911.
Montreal	$15,713,000	$14,580,000
Toronto	21,127,000	24,374,000
Winnipeg	15,106,000	17,550,000
Vancouver	13,150,000	17,652,000

Proposals for municipal expenditures are on a scale never attempted before.

MARITIME PROVINCES.

The year has been one of general progress and prosperity in the Maritime Provinces. While in some respects the results from agriculture in the three provinces have not been quite as good as for the previous year, mainly because of drought, the very unusual apple crop and other favourable features have helped out the money total. Drought affected hay and all dairy products, in some parts seriously. Fruit was so plentiful that the apple crop will yield over three times as much money as in 1910. The trade in horses, cattle, hogs and poultry was satisfactory and it is pleasant to learn that in some parts the live stock on the land is now increasing in numbers. There is a large increase in attendance at the Agricultural College, a marked advance in apple culture and in the methods of handling and disposing of the crop, more attention given to live stock and dairying, and evidence generally that the Maritime Provinces are sharing in the awakening to the much greater possibilities of profit in all varieties of farm life. Some settlers are coming in from abroad and as the real facts regarding the productivity of this part of Canada become known settlement should increase.

From the fisheries the money results were probably higher than ever before, because of good prices, but the quantity caught, larger in some places and in some varieties, smaller in others, was an average. The price offered at the moment for dried cod-fish is the highest ever known, but sales have been so active that the stocks

on hand are very small compared with those of a few years ago. The market steadily broadens; more vessels are being added to the fleet and new areas are being sought for supplies of fish, but men are so scarce as to make it difficult to meet the demand for crews. The results in other kinds of fishing were satisfactory as a whole. The value of the fisheries in the three provinces was about $16,000,000. What is made abundantly clear, year after year, is that we have in our Atlantic fisheries a source of continuous wealth if, as a nation, we possess reasonable instincts of conservation. We should take active measures regarding the destructive dog-fish; we know that our wonderful lobster fisheries need the most persistent and jealous care, and yet they are frequently menaced by permanent injury owing to lack of vigilant inspection; and the recent report of the Conservation Commission regarding the shocking history of our oyster beds, and the positive need of quick action now and of sane regulations hereafter, should surely arouse enough indignation to enforce action of some kind.

The breeding of black foxes at various points in Prince Edward Island is growing in volume and has become a regular and very profitable industry.

The year began favourably for lumbering operations and the cut of logs was large, but owing to the drought a great portion of this did not reach the mills. There was a fair demand for deals at about last year's prices, but the Coronation, strikes in Great Britain and other causes interfered with trade. The markets in the United States and elsewhere were fair. High freights and scarcity of tonnage at the close of the season made it difficult to ship at a profit and large stocks will be carried over. For these reasons the cut of the ensuing season will be smaller.

The collieries of Nova Scotia have had a record year, the quantity mined being in excess of 6,000,000 tons, as compared with 5,477,146 tons in 1910. Prices were practically unchanged and the demand was excellent. Very important work has been done in opening new shafts and collieries.

The noticeable fact in steel-making in Nova Scotia is that while some of the large improvements looking to an increased output are completed, others are not and as a whole the works have not yet reached the stage of larger production. This may, however, be expected very soon. The output for 1911 was somewhat larger than for 1910 and the present demand is excellent, but the dull condition of the steel trade in the United States with consequent lower prices, naturally affects the profits of Canadian producers.

Manufacturers in the Maritime Provinces, especially in view of the prosperous conditions in other parts of Canada, have had a successful year. Extensions to plants and increased building permits have been general in the manufacturing and other large towns and cities.

Ontario and Quebec.

The farmers in Ontario and Quebec have made progress during the past year, but while in many parts the year would be described as an average, in others it was hardly so and in few respects was it better than the average. Hay and grain crops, except fall wheat in some parts, after an early spring and a good start, suffered in varying degrees but often badly, by the prolonged drought so general in Eastern Canada and in Europe. The acreage of Indian corn is increasing and the ownership of plenty of cattle with proper silo accommodation has made the result quite satisfactory to farmers who otherwise would have suffered from drought. For this reason there are some districts where dairying results have been as good as usual and farming profits quite satisfactory. The revival in fruit farming, accompanied by care in the treatment of orchards, is producing a most marked effect in many parts of Ontario and doubtless fruit growing will be extended to several areas hitherto devoted solely to agriculture and pasture. Horses and hogs have done well for the farmer, but those who bought cattle in the autumn to feed through the winter found the spring prices little higher. Cattle to be fed this winter were bought on a lower basis and as roots, fodder, corn and alfalfa crops were satisfactory, the outlook for the cattle feeder who grew these crops is good. While we cannot follow the increased consumption at home or the shipments to the United States, the shipments of cattle from Montreal to some extent show trade conditions.

The number shipped was the smallest in 29 years, being only 45,966, against 72,555 last year and 99,830 in 1908, and of this small total about 15,000 head were from the United States. The falling off is, however, due somewhat to the fact that United States exporters who had contracted for ocean space were obliged to draw their supplies largely from Canada. We evidently cannot learn much from our export figures at the moment. The very high prices in 1910 certainly caused a great increase in the raising of live stock in Canada and the United States. This is at present more evident in the case of hogs, sheep and lambs than in cattle, as the former come to maturity and to marketing condition so much more quickly. The home demand, both in Canada and the United States, has been greater than ever before and prices therefore often better on this side than in Europe. Notwithstanding that large quantities of western cattle have been brought East and slaughtered, there has not been the usual quantity for export. On the other hand hogs are not raised in any important way yet in the West and the bacon curers of Ontario and Quebec are sending large quantities of cured meats there instead of abroad. Apart from the growing requirements of the meat trade more cattle are

being kept for dairy purposes, but the number of cattle on the land has been too small for several years.

In view of the drought much smaller figures for dairy exports might have been expected, but the impulse given by high prices has prevented this. Cheese exports from Montreal amounted to 1,810,000 boxes, slightly less than for 1909 and 1910, while the exports of butter were five fold those of 1910 and were higher than for five years past. Prices of both articles were at the highest point, and the results for 1911 in money were $22,705,000, against $17,872,000 in 1910. The total is the largest since 1906.

That there has been much planting of new fruit trees and spraying and pruning of old ones neglected hitherto, and a great revival in fruit farming generally, there can be no doubt. The year in Ontario and Quebec was not very favourable, however, and the home market being large, the exports of apples from Montreal were only 274,887 barrels, much better than the low year of 1910, but far below the average of ten years, which is 455,618 barrels. There has been a handsome increase in the exports of grain and a very large increase in exported flour and hay as compared with recent years. Notwithstanding the short season the quantity of traffic both in passengers and in freight exceeded that of any previous year in the history of the port of Montreal.

In manufacturing we have again to record general additions to plant, a much increased output, and in many cases inability to cope with the demand for goods.

The cut of lumber in the Ottawa valley and in most districts in Ontario and Quebec will, because of low water, be slightly smaller than for the previous year, and the cost of production will again be higher. Deals are all sold at higher prices, the market for high grade white pine is good, while the common grades of lumber which have been so difficult to sell since the depression of 1907 in the United States, are in better demand, although the cheap southern pine is still a menace to our product. In the United States and Canada the use of fire-proof building material and of cement and iron generally in place of wood is growing rapidly. Already it is suggested that the United States has passed the highest point of per capita consumption of lumber. As yet, however, we use only a fractional amount of fire-proof material as compared with an old-world country such as Germany. So that an important re-adjustment of our lumber requirements relatively to other things will gradually come about. This will certainly not lessen the necessity for conservation, but it may cause the punishment for our wastefulness to fall a trifle less heavily than we deserve.

Ontario's mineral production grows rapidly. For 1910 the total was $39,313,000 (at the mines, or $43,017,000 when mar-

keted), against 17,854,000 in 1905, the largest items being silver and nickel. Out of a total production of minerals for all Canada of $105,000,000 as marketed, Ontario contributes about 40 per cent., although it possesses no coal and that mineral makes 28 per cent. of the total for all Canada. The estimated silver production at Cobalt for 1911 is about 31,500,000 ounces, worth about $16,300,000. The value for 1910 was $15,478,000 and the total product of the Cobalt camp to date is a little under $65,000,000. This means, with freight and smelter charges added, a value in the silver markets of about $69,000,000. A few years ago we moved into the third place among the silver producers of the world, but our production was still very small as compared with Mexico and the United States. Now, however, we contribute 15·1 per cent. against 25·9 from the United States and 33·3 from Mexico. Adding 8·6 per cent. from Central and South America, we find that 82·9 per cent. of the world's production of silver comes from America. We are watching with keen interest the developments in the Porcupine district, where the question of the importance of Ontario as a gold producer is being tested. Very important sums, running altogether into millions, are being spent in development by men of experience and there is certainly a large value of gold in sight. It seems probable that the production for 1912 will be enough to attract still further attention to this district. The whole north country of Ontario has great possibilities in agriculture, mining and other industries, but much more must be done in affording transportation before even a moderate scale of development is possible. It is nearly impossible, for instance, to demonstrate the merits of a camp such as Gowganda so long as supplies have to be hauled about fifty miles after leaving the railway!

Notwithstanding the general effect of the drought, the provinces of Ontario and Quebec had a very successful year. Farm and town real estate values continue to rise and real estate transactions have exceeded all previous experience in scale and price. Building was perhaps never on so large a scale, whether for municipal, manufacturing, business or residential purposes. Thert has been an unusual amount of investment in securities and in this respect the public has had some experience of the folly of creating so-called mergers, not so much to improve the conditions of the particular business as to create bonds and shares on an imaginary basis of profits for stock-jobbing purposes. A very large amount of savings in these provinces is also being risked in real estate speculation in the outlying sections of rapidly growing cities in other parts of Canada. These properties on which such rash speculation is based often lie many miles from any settled part of the particular city, and it is to be regretted that the individual who is induced to invest the savings of years in such ventures, very often possesses slight idea of the risk he is running.

Manitoba, Saskatchewan and Alberta.

Practically all the early estimates of the yields of produce for 1910 in the western provinces were astray, the error in underestimation varying in the case of wheat from 12,000,000 to 25,000,000 bushels. The drought throughout the whole West had not affected the yield or the grade as seriously as was expetced, and this was particularly the case in Manitoba where the bulk of the high-grade wheat was produced.

Opinions as to the outcome of the crop of 1911 have also been widely different, owing largely to unsatisfactory weather conditions. The season of 1911 did not open altogether favourably although preceded by a favourable autumn, in so far as the preparation of the land and increased acreage were concerned. The area under cultivation had been increased 15 per cent. for wheat, 4 per cent. for oats, 12 per cent. for barley and 4 per cent. for flax over the year 1910. The weather conditions were such that the grain grew rapidly and the outlook was promising well into the month of August. At that date estimates of a wheat yield of 200,000,000 to 225,000,000 bushels, of oats 200,000,000 bushels, barley 40,000,000 bushels, and flax 10,000,000 bushels were made by competent judges, and it appeared for a short time as if these figures might be reached. Towards the end of August, however, the weather became cold and wet. The result was that the ripening season was shortened and throughout large areas in Saskatchewan and Alberta the grain was in a green condition when the frost came in September. In Manitoba, however, the crop had ripened somewhat earlier than in Saskatchewan and Alberta and the results in the older province both as regards grade and yield have been satisfactory. Despite the extraordinarily unfavourable weather which prevailed during September, October and November over a large part of the West, it is conceded by competent authorities that the three western provinces have the largest and most valuable crop which they have yet produced. From recent information collected by our own staff we estimate that the final results will be approximately as follows:

Wheat	**175,000,000**	**bushels.**
Oats	**180,000,000**	"
Barley	**35,000,000**	"
Flax	**6,000,000**	"

having a money value to the farmer of upwards of $200,000,000. Of the wheat not quite 50 per cent. will grade as milling wheat. In the case of the other cereals the percentage of high-grade grain will be somewhat higher. The high prices which have existed for the lower grades, however, in consequence of the export demand for all kinds of coarse grains, have largely offset the loss consequent upon the damage by unfavourable weather.

There are some object lessons to the farmer in connection with the past season's work which might well cause him to pause and seriously consider. Most important of all is the question of a greater diversity of farming. We have frequently touched upon this question, and while something has been accomplished, there is still great room for improvement. We refer particularly to the apparent indifference of a very large percentage of our farmers to the raising of high-grade cattle, hogs, horses and sheep and also to the lack of effort on their part to produce such profitable commodities as milk, butter, eggs, cheese, vegetables, fruit, meats, poultry and all the minor by-products which the farm is capable of producing. It is a deplorable state of affairs that western Canada imports from the United States very large quantities of the commodities mentioned, the value of which runs into millions of dollars yearly. The main cause of these unsatisfactory conditions is that the majority of farmers confine their efforts almost solely to the raising of grain, and appear to forget entirely the value of the home market for the products mentioned. It is true that the agricultural colleges in three provinces are doing excellent work, but the progress which is being made is comparatively slow and can only be materially accelerated by the farmers generally helping in the good work. Experience has proved that large profits, not long delayed, await the farmer who will intelligently carry out a system of intensified farming. He must pay attention to a proper rotation of crops, to the value of increasing and preserving the fertility of the soil by the use of manure and other fertilizers, and to the extermination of noxious weeds. He must also have a right conception of the amount of labour required, in addition to his own and that of his family, for carrying on properly the work of the farm.

The weather conditions in the autumn of 1911 would almost warrant us in predicting a considerably smaller acreage of wheat in 1912. Much will depend upon the weather conditions of the coming spring. Little ploughing was done during October and November owing to the unusually early freezing of the soil. In view of the improved facilities for carrying on all kinds of farm work, much can still be accomplished if we have an early spring. It may not, however, in the end be a serious drawback to the country if a late spring should result in having large areas of land put into summer fallow. Such a process undoubtedly enriches the land and experience proves that land so treated over a series of years gives the best total results. Grain, other than wheat, such as oats, barley and flax, as well as roots, can be seeded somewhat later and excellent results obtained.

While speaking on this subject it may be of interest to know that last year Canada stood fifth amongst the nations of the world engaged in the production of wheat. The figures are as follows:

	Acres.	Bushels.
United States	52,123,000	658,567,000
Russia in Europe	73,818,000	629,300,000
British India	29,670,000	370,413,000
France	15,644,000	320,142,000
Canada	10,503,000	204,634,000
Hungary	9,095,000	192,691,000

It will doubtless not be many years before Canada will advance to a much higher position in the above list.

The winter of 1910-11 cannot be regarded as having been altogether satisfactory for the live stock industry. The early months of 1911 were very cold, with heavy snowstorms and blizzards in the districts where the animals wintered and it was feared that heavy losses would fall on the ranchers. The spring, however, opened favourably with plenty of moisture in the ground, the grasses grew rapidly and luxuriantly, and cattle which had grown thin soon showed signs of improving. As a general rule the cattle came on the market in good condition and prices for all grades have been higher than during the past 15 or 20 years. Quite a large number, however, will be carried over till the spring, as farmers and dealers will take advantage of the large quantity of low grade grain in the country and by feeding it during the winter will have their animals ready for the market early in the year. Hogs and sheep have commanded high prices throughout the year, but it is to be regretted that they are not raised in sufficient numbers to meet the demands of the local packing houses. It is a satisfaction to note, however, that at several points in Saskatchewan and Manitoba farmers have recently been purchasing small flocks of sheep. As a further matter of interest we may add that between the 1st January, 1911, and the 18th November, 1911, live stock were received at the stock yards in Winnipeg as follows:

Cattle	89,765 head.
Hogs	73,494 "
Sheep	38,289 "

An agreement has now been concluded between the railways centreing at Winnipeg for the establishment of more extensive stock yards at St. Boniface, Manitoba. Such improved facilities should encourage the rancher and farmer to develop the live stock industry to a greater extent in order that the requirements of our local packing houses may be fully supplied from our own country.

During the past five years a great change in conditions has taken place in the raising of horses. Ranges which were formerly used for the purpose have been divided into farms, and as a consequence the stock of range horses is rapidly diminishing and a good market has developed for farm horses imported from the eastern provinces. Prices for this class of animal vary from $500 to $700 per team. A good demand for horses has also been created on account of the

amount of work being carried on by the railways and irrigation companies.

The logging season of 1910-11 opened quite actively and a large cut was made by most of the operators. The weather was satisfactory for the greater part of the winter, although towards the end of it the snowfall was heavy and interfered a little with getting the logs out of the woods. The big operator was able in the main not only to secure the logs of the year's cut but also to draw out the logs of the previous season, left in the woods owing to the early breaking up of the previous winter. In the spring the demand for lumber was general, satisfactory sales were made and prices continued good until June, when keen competition developed between the manufacturers of spruce and the Coast and mountain mills. A large quantity of low grade stuff was also brought in from the United States. Favourable freight arrangements were also conceded by the railways to the Coast and mountain mills. This concession, coupled with the cheap article from the United States, placed the manufacturer of spruce at a disadvantage, and sales and profits alike were somewhat curtailed. Taken as a whole, however, both manufacturer and jobber have had a satisfactory year. The present season also promises to be an active one, and a large cut of logs is predicted.

It is noticeable that the new settlers who entered the Prairie Provinces in 1911 were of a better class than in any previous year. Commenting recently upon the matter the Dominion Government officials report that from the 1st January, 1911, to the 25th November, 1911, there entered Canada as immigrants 338,986 persons. Of these 214,458 entered at ocean ports, and 124,528 came from the United States. Of those entering by ocean ports 169,429 were British, while the balance, 45,038 were from Continental Europe. Of the combined British and Europeans (214,458) it is estimated that 50 per cent. settled west of the Great Lakes, whilst of the American settlers (124,528) it is estimated that 85 per cent. also settled in western Canada. It is estimated that the amount of money and other assets which each settler brings into the country is as follows:

British	**$150 to $200**
Other European	**10**
American	**1000**

The fish and fur industries do not as yet represent a large volume of business to the western provinces. They are capable, however, of very great development, and the progress made during the past year has been satisfactory. The lakes of Manitoba, Saskatchewan and Alberta contain almost unlimited quantities of valuable fish, and good markets at profitable prices are found for the catches in the United States and the western provinces. The Dominion Government have at last realized the importance of the

fishing industry to the western provinces and a Commission has been appointed to investigate existing conditions thoroughly. A report by the Commission is now in course of preparation. The industry during the winter months affords employment to a large number of settlers and Indians in the northern parts of the provinces who are thus able to supplement their earnings derived from farming and other pursuits. The fur catch is an important industry to such places as Edmonton and Prince Albert. Owing to the severity of the winter of 1910 trapping conditions were not altogether favourable and the catch fell somewhat below normal figures. To offset this it is satisfactory to note that prices were higher and the year's business has been profitable.

The coal industry has been in a very unsatisfactory condition for nearly a year in consequence of the labour troubles existing in the coal districts of western Canada. Fortunately, in September last, a basis for settlement was reached between the owners of the mines affected and the miners. A contract has been entered into for a period of 3½ years, and it is expected that no further trouble will arise during this period of time. It is devoutly to be hoped that the results expected from the agreement will be realized. Undoubtedly a great injury was done to the industry, as well as to manufacturing and commercial enterprises, and the loss of wages to the men was very large. The local Governments and the railways, however, realized the gravity of the situation and have done a great deal to relieve matters

There has been great activity in real estate during the year throughout the West as regards farm, city and town properties. In cities and towns the great danger has been in the number of outlying subdivisions placed on the market. The cure for this unhealthy state of affairs rests in the hands of the more reliable firms, and we cannot too strongly urge upon them the importance of applying the remedy without delay. It is not our desire to point to any particular place or district, as the reliable dealers are undoubtedly in a better position to know the situation than ourselves. It is to them, however, that the commercial community look for protection from a catastrophe which will inevitably come if present methods are allowed to continue. Undoubtedly desirable inside properties in our principal cities and towns have a good basis for existing values, but these must suffer materially unless something is done to stop the inflation in the values of outlying districts. Farm lands are firmly held at advancing prices, justified perhaps by the results of several years of good average crops. It will be a great detriment to the West, however, if our cheap lands are advanced so rapidly in price as to make the new settler hesitate about coming to us.

The building trade, with few exceptions, has been exceedingly active in Western cities and towns. The record figures reached in 1910 in such cities as Winnipeg, Calgary, Edmonton, Regina

Saskatoon, Moose Jaw, Medicine Hat and Prince Albert will probably be exceeded by the final figures of 1911. We understand, too, that in the larger centres a decided effort is being made to improve the standard of the buildings erected. The industrial development taking place in our chief business centres is an important factor in such activity, and as the population increases we shall doubtless find that such development will be much more rapid than many of us at present realize.

The extension of the three railways, the Canadian Pacific Railway, the Canadian Northern Railway and the Grand Trunk Pacific Railway, has been carried on to a greater extent than at any previous time, and the disbursement of money in this connection has materially helped the prosperity of the western provinces. It is likely that these expenditures will continue for some years to come in order to meet the growing requirements of the country.

New capital has come freely from Great Britain, Continental Europe and the United States Municipal mortgage and industrial securities have been eagerly sought, and we think the results will prove generally satisfactory to the investor. Capital, however, is timid of investment in new countries and new enterprises, and every care should be exercised to guard the interests of *bona fide* investors. There are some things already of which our local Governments and municipal authorities might well take notice.

The increase of population and wealth in the centres has created a desire for the best class of pavements, roadways, sewers, etc. This is very commendable, but the authorities in providing such improvements are inclined to load the future to too great an extent. Debentures which are drawn for 5, 10, 15, 25 and 30 years would be more sound if drawn for 2, 5, 7, 10 and 15 years, the shorter periods of time more nearly representing the life of the improvement.

Municipal and Government ownership of public utilities has a tendency to extend unduly, and there are already signs of failure in this connection in several directions. Any considerable disaster would undoubtedly result not only in new capital being withheld from us, but investments already made might be realized upon in a way which would reflect seriously upon the credit of the people and the country.

Before passing from this subject we should like to say that there is one matter at least which might well be regarded by Provincial Governments and rural municipalities as coming within their scope of operations. We refer to protection to the farmer from the effect of hailstorms. We allude particularly at this time to the subject, as the number of farmers who suffered in this respect last year is greater than in any previous year, and the individual loss has been heavier. As the area under cultivation increases the number who will suffer loss and the aggregate losses will increase considerably. It is well, therefore, to consider what protection can be given

minimize the loss. The Government of Alberta gives some protection to farmers who pay certain schedule rates of insurance, and local companies also operate in that province as well as in the provinces of Saskatchewan and Manitoba. This protection on the existing basis is not generally made use of, and it appears to us that a regular tax authorized by the Legislature would be feasible. Were all farmers obliged to pay on the basis of an approved schedule, the obligation would not be burdensome.

In concluding our remarks regarding these provinces, it is but fair to say that although the western crops will produce a larger amount of money than those of any previous year, yet the conditions under which they will have been gathered and marketed will interfere with an early liquidation of the indebtedness of the farmer and merchant. The wholesale dealers and manufacturers, however, practically in all lines of business, report large increases in the volume of trade over previous years, and they evidently feel satisfied with the credit thus extended to their customers.

British Columbia.

The development of British Columbia in agriculture and kindred pursuits, a slower process than in fishing, lumbering and mining, is now advancing rapidly, and the number of districts in which fruit growing and mixed farming are becoming important industries is very marked when compared with a few years ago. Unfortunately, considering the great cost of clearing and the richness of the soil, the price of land fit for settlement in this province seems high, and, indeed it might be better for the future of the province if it were lower. The promise of fruit farming is, however, very attractive, and those who are wise enough to develop mixed farming should find a ready market for many years to come in a rich province where the absence of sufficient cultivation of the soil causes the importation of enormous quantities of butter, eggs, cheese, meat and other products, all of which should be produced at home. In several districts plans are being considered for ready-made farms, and these, if properly carried out, should enable the less experienced settler to start under more favourable conditions than at present. The winter was unusually severe for this part of Canada, and was followed by a late and wet spring. This was hard on all fruit crops, too much growth of wood and too little of fruit resulting. Prices were, however, so high that the results were fairly satisfactory. Only a small part of the trees planted are old enough to bear, and only a small part of the land suitable for fruit culture is so occupied. The high quality of British Columbia fruit is becoming more widely known every year. Hay —an important crop—roots and potatoes all yielded plentifully and sold readily at good prices. The year has been profitable to the stock raiser, notwithstanding the high price of hay, and, gen-

erally speaking, those who have followed agricultural, pastoral or fruit farming in British Columbia are more than ever convinced of the great future of that province. What is wanted is land not too dear, which may come if the Dominion Railway Belt is opened for settlement, and with increased transportation facilities. For most products the market is at hand.

The year has been better than was expected as regards the catch of salmon, the total being 948,965 cases, against 453,511 cases in 1907, the natural year for comparison. This is to some extent due to the packing of cheaper varieties of salmon, for which there is a large demand, and sales were readily made at high prices. The packers are, as a rule, in a strong position, financially, and the industry has never been in a better state so far as management and market conditions are concerned. The one regrettable fact is that we are not doing all that is possible to conserve and to promote an industry of such a profitable nature. We have not yet arrived at an arrangement with the United States to protect the salmon in Puget Sound, and our halibut fishing is still being interfered with by poachers from that country. The great market in our own prairie provinces, present and prospective, and the demand elsewhere in the world; the knowledge that the Pacific possesses many food fishes which are practically unfished; the need of large communities of white fishermen on our Pacific coast; and the value to the province, direct and indirect, of the profits from such an industry when properly developed, should cause the energy necessary to a larger success to be put forth, whether by Government regulation or by the enterprise of capitalists.

A year ago we stated that the immediate outlook for the sale of the lumber from the mountain mills was good, apart from the prospect of more dumping by United States manufacturers. Unfortunately, trade has continued to be bad in the United States, and great quantities of low grade lumber have been sold in Canada at less than the cost of production. Some of this lumber is entered fraudulently, being billed as rough lumber or as surfaced only on one side, when it is actually lumber finished for the United States market and treated later so as to look like partly rough lumber. The mountain mills prepared for a heavy season, but their calculations were entirely upset by this state of affairs. Immediately south of British Columbia lies the greatest lumber-producing area in North America, and its natural output has been greatly increased by the necessity to cut over large areas in Idaho, Washington and Montana, where there have been extensive forest fires recently. If manufacturers there are pressed by their obligations and their bankers are less able to take care of them than are Canadian banks to take care of their customers, the result is evident so long as Canada is a free dumping ground. Our manufacturers must pile up stocks which the Banks must carry, or the cut of lum-

ber in our mills must be curtailed and workmen be thrown out of employment, in order that United States mills may be kept in operation. This winter, in any event, the cut will be reduced awaiting some adjustment of the situation. Mills more favourably situated as to freights than the mountain mills, but also depending on the Prairie trade, have done well, despite a certain amount of loss from United States dumping. The Coast lumbermen have suffered even more from this competition than the mountain lumbermen, both by dumping and by the loss of export trade, due to the United States manufacturers being willing to fill orders at less than cost. Shipments from Washington, the State which produces most lumber, to points in Canada from Winnipeg to the Pacific coast, are said to have increased from three to five times in volume since the depression in that country set in. The circular of the Secretary of the Canadian Lumbermen's Association, issued in August last, gives the following figures as this shipment of boards, deals, planks, joists and scantling for the years ending 30th June, 1909, 1910, 1911:

Year.	Ft. B.M.	Value.	Average Price per 1,000 Ft.
1909	127,099,000	$3,317,043	$26 09
1910	189,193,000	5,163,477	27 23
1911	403,285,000	9,266,275	22 97

The comparison of 1909 and 1911 for the nine months ending 30th September, as follows, is still more striking:

Year.	Ft. B.M.	Value.	Average Price per 1,000 Ft.
1909	104,750,000	$2,845,695	$27 16
1911	379,226,000	7,946,072	20 95

The increase between 1909 and 1911 for the nine months referred to is, therefore, nearly 275,000,000 feet board measure, or 162 per cent., while the decrease in the average price is $6.21 per 1,000 feet board measure, or nearly 23 per cent. These figures apply to all Canada, but the conditions of the industry in British Columbia are much worse than elsewhere. The average price received by British Columbia lumbermen is $3 to $4 per 1,000 feet less than the average for all Canada. Since the preparation of these figures we are told that larger quantities than ever are being dumped and that prices have declined still further. It does not appear that the consumer has benefited by this dumping, the profit apparently going to the middleman.

The year has been one of unusual importance in mining in the Province. The Coast coal mines have all done a larger business at good prices and with an active demand. Improvements on an extensive scale, looking to an increased output, are being made. In the Crow's Nest district, to which reference has already been made, the mines, of course, suffered from not being worked, and had to begin, after the strike, with a much smaller number of men, so that the full output cannot be attained at once. The miners

seem to have gained nothing, while smelters have been idle or have worked at a loss, railroad companies in some cases have installed oil-burning engines, new coal properties have been exploited, perhaps unnecessarily, and the people who depend on coal for their comfort may suffer this winter for lack of fuel. The total output of British Columbia for 1911 is estimated at 2,440,000 tons, as compared with 3,139,000 tons in 1910. The history of copper mining and smelting for the year turns on the coal strike. But for that it would have been a record of high production. When the strike occurred, an effort was made to work with Pennsylvania coal, but the cost and quality of the coal made this impossible for one company and most unprofitable to others. Work will now be resumed on a full scale. The decline in the output is shown in the following figures, which are for the Boundary mines alone: 1909, 1,595,000 tons; 1910, 1,699,000 tons; 1911, estimated at 1,200,000 tons. The price of copper has been lower, averaging about 12·26 cents per pound, against 12·86 cents in 1910 and 13·05 cents in 1909. Labour conditions have been excellent. In the Kootenay district there has been unusual activity. Consolidation of interests, more efficient management and larger capital should result in more profitable working of these difficult silver, lead and copper ores. Elsewhere in British Columbia, especially in the north, very interesting developments in mining in widely separated districts are taking place, but it is too early to speak confidently as to results.

The growth of the city of Vancouver continues to be remarkable, as shown by the great increases in building permits, in the assessed values of property, in bank clearings, in customs duties paid and in the earnings of tramways. The only feature calling for discouragement is the speculation in real estate values, for much of which promoters in other financial centres, even in England, are almost as responsible as are those in British Columbia.

There is great activity in the province at present in railway, tramway and ordinary road building, in adding to dock accommodation to take care of the increasing ocean traffic, and in provincial, municipal and individual building of all kinds.

YUKON DISTRICT.

The year was marked by further consolidation of properties in the hands of the dredging companies as opposed to the individual operator. Coal mined in the district has been used for the first time as fuel in thawing operations, and has proved satisfactory. The season was unusually dry, and this affected the output of gold, which is estimated at about $4,200,000. In southern Yukon very extensive work in opening up mines in several localities is under way, and eventually this must become a mining region of great importance.

Report, Statement and Proceedings of the Annual Meeting of Shareholders of the Canadian Bank of Commerce

The forty-fifth Annual Meeting of the Shareholders of The Canadian Bank of Commerce was held in the Banking House, Toronto, on Tuesday, 9th January, 1912, at 12 o'clock. A great many Shareholders and others were present.

The President, Sir Edmund Walker, having taken the chair, Mr. A. St. L. Trigge was appointed to act as Secretary, and Messrs. Edward Cronyn and H. L. Watt were appointed Scrutineers.

The President called upon the Secretary to read the Annual Report of the Directors, covering the year ending 30th November, 1911, together with the usual statement of Assets and Liabilities:

The balance at credit of Profit and Loss Account, brought forward from last year, was		$310,204 06
The net profits for the year ending 30th November, after providing for all bad and doubtful debts, amounted to		2,305,409 42
Amount recovered from over-appropriations in connection with assets now realized, including the $350,000 appearing in the statement of 31st May, 1911		500,000 00
Premium on New Stock		1,357,820 00
		$4,473,433 48
This has been appropriated as follows:		
Dividends Nos. 96, 97, 98 and 99, at Ten per cent. per annum		$1,057,218 59
Written off Bank Premises		400,000 00
Transferred to Pension Fund (annual contribution)		55,000 00
Transferred to Rest	$1,400,000 00	
Transferred to Rest, premium on new stock	1,357,820 00	
		2,757,820 00
Balance carried forward		203,394 89
		$4,473,433 48

As is customary, a careful re-valuation of all the Assets of the Bank has been made and all bad and doubtful debts have been fully provided for.

As made known to you in May last, your Directors decided to issue, at a premium of 80 per cent., $2,000,000 of the $5,000,000 new stock authorized in January, 1908. At the closing of the books $1,861,550 of this amount had been subscribed and $1,697,275 paid up. When the payments in this connection have been completed the paid-up capital of the Bank will stand at $12,000,000 and the Rest at $10,000,000.

The following branches have been opened during the year: In Ontario—Porcupine, South Porcupine, Bloor and Dufferin (Toronto); in the North-West Territories—The Pas; in Saskatchewan—Bengough, Biggar, Briercrest, Brooking, Cudworth, Edam, Mirror, Nutana, Radville, West Side (Saskatoon), Tilley, Willow Bunch; in Alberta—Beaver Lodge, Mount Royal (Calgary), Grouard; and in British Columbia—Chilliwack, Duncan, Golden, Kelowna, Salmon Arm and Vernon. The branches at Latchford and Porcupine, Ontario; Durban, Manitoba, and Brooking and Tilley, Saskatchewan, have been closed. Since the close of the year, a branch has been opened at Powell Street, Vancouver, B.C.

The various offices of the Bank in Canada, the United States, Great Britain and Mexico, and the departments of the Head Office have been thoroughly inspected as usual during the year.

Your Directors wish again to express their appreciation of the efficiency and zeal with which the officers of the Bank continue to perform their respective duties.

B. E. WALKER,
President.

Toronto, 9th January, 1912.

After the adoption of the Report and before introducing a By-law increasing the number of the Board of Directors of the Bank from 14 to not exceeding 19 in the event of a proposed agreement for the union of the Canadian Bank of Commerce and the Eastern Townships Bank being approved and going into effect, the President said:

" Since the close of the Bank's fiscal year, we have entered into an agreement with the Directors of the Eastern Townships Bank for the union of the two institutions, the basis being that we are to give 60,000 fully paid-up shares of stock in this Bank of the par value of $3,000,000 in exchange for the assets of the Eastern Townships Bank, the par value of the capital stock of that Bank being $3,000,000. The matter awaits the approval of the shareholders of the Eastern Townships Bank, for which purpose a meeting will be held on 14th February next. If you will look at the map of Canada in this room, which shows the position of our branches, you will see that such a union is greatly in the interest of the two institutions and that it will make the united branches of the two Banks throughout Canada a very nearly perfect system. The customers and shareholders of the Eastern Townships Bank have always been peculiarly loyal to that institution and should the union take place, it will be our strong desire not only to retain but to foster and increase the valuable asset represented by that goodwill which, indeed, has been one of the main reasons for trying to bring about such a union. Under the system we have fol-

lowed in other cases the name of the Eastern Townships Bank will be kept prominently before the public in connection with our own. It will doubtless be our purpose to add to the many branches of the Eastern Townships Bank further establishments in the Province of Quebec, and to improve if possible by our larger capital and facilities the service hitherto afforded by the Eastern Townships Bank to its customers in that part of Canada which has depended mainly upon that institution for such banking service. In anticipation of the completion of this transaction, a By-law and resolution are necessary, which the Vice-President will now propose."

The By-law was then passed. A By-law increasing the authorized Capital Stock of the Bank from $15,000,000 to $25,000,000 was also passed. A Resolution relative to the pension fund authorizing whatever adjustment may be necessary to provide for the proposed admission of the staff of the Eastern Townships Bank and another Resolution providing for an alteration from $50.00 to $100.00 in the par value of the shares of the Capital Stock of the Bank, as soon as the necessary legislation is obtained, were then submitted and passed.

The Scrutineers subsequently reported the following gentlemen to be elected as Directors for the ensuing year: Sir Edmund Walker, C.V.O., LL.D., D.C.L.; Hon. Geo. A. Cox, John Hoskin, K.C., LL.D.; J. W. Flavelle, LL.D.; A. Kingman, Hon. Sir Lyman Melvin Jones, Hon. W. C. Edwards, Z. A. Lash, K.C., LL.D.; E. R. Wood, Sir John Morison Gibson, K.C.M.G., K.C., LL.D.; William McMaster, Robert Stuart, George F. Galt, Alexander Laird. At a meeting of the newly elected Board of Directors held subsequently, Sir Edmund Walker, C.V.O., LL.D., D.C.L., was elected President and Mr. Z. A. Lash, K.C., LL.D., Vice-President.

[An Historical Sketch of the Canadian Bank of Commerce will be found in the Special Supplement of THE CANADIAN ANNUAL REVIEW for 1910.]

General Statement of the Canadian Bank of Commerce

30th November, 1911

Liabilities.

Notes of the Bank in circulation		$12,004,649 68
Deposits not bearing interest	$41,288,032 95	
Deposits bearing interest, including interest accrued to date	104,677,701 81	
		145,965,734 76
Balances due to other Banks in Canada		196,618 80
Balances due to Agents in the United Kingdom and Banks in foreign countries		2,273,529 13
		$160,440,532 37
Dividends unpaid		2,021 47
Dividend No. 99, payable 1st December		288,940 00
Capital paid-up	$11,697,275 00	
Rest	9,757,820 00	
Balance of Profit and Loss Account carried forward	203,394 89	
		21,658,489 89
		$182,389,983 73

Assets.

Coin and Bullion	$10,736,214 55	
Dominion Notes	15,093,480 00	
		$25,829,694 55
Balances due by Agents in the United Kingdom and Banks in foreign countries	6,982,375 82	
Balances due by Banks in Canada	6,854 59	
Notes of and Cheques on other Banks	7,526,242 58	
		14,515,472 99
Call and Short Loans in Canada		6,604,716 44
Call and Short Loans in the United States		8,420,602 53
Government Bonds, Municipal and other Securities		11,541,092 11
Deposit with the Dominion Government for security of Note circulation		475,000 00
		$67,386,578 62
Other Current Loans and Discounts		110,999,611 31
Overdue Debts (loss fully provided for)		293,240 08
Real Estate (other than Bank Premises)		138,061 35
Mortgages		347,091 02
Bank Premises		3,142,487 82
Other Assets		82,913 53
		$182,389,983 73

ALEXANDER LAIRD, General Manager.

THE RECORD OF

THE MONTREAL STAR IN 1911

It is not very often in the history of a young, or indeed of any country, that a single newspaper wields a powerful influence in the overturn of a Government and the defeat of a political policy. Such, however, was the record of the Montreal *Star* in 1911.* That the Government was strongly intrenched in power, that its policy of Reciprocity had many popular features, that its defeat was not expected by the public, that *The Star,* itself, had been independent and somewhat aloof in the Elections of 1908, lent all the more interest to the stand which this virile organ of national thought adopted from the early development of the new trade policy and from the first months of the year.

On Jan. 9th, when few Canadians thought that an agreement would be reached or a serious departure in the country's policy be proposed, this journal's Washington correspondent stated that the Reciprocity Commission had practically arrived at a conclusion as to general terms and main principles. Then followed the official announcement on Jan. 26th, the plunging of the two countries into a discussion which lasted the greater part of the year in Canada and promised to be a United States Presidential issue in 1912. There was no question as to the attitude of *The Star* from the inception of the Washington Agreement. It took straight issue with the project at a moment when many politicians were in doubt, when public opinion was unformed and uninformed, when the first feelings of indifference and ignorance were at the crucial point of change into interest and inquiry. Whatever may have been the original idea behind the negotiations, the merit of the freer trade principle involved, the historic justification of the Government and Liberal party, and possibilities of advantage to the farmer, Reciprocity was to *The Star* an altogether dangerous, seriously injurious, anti-Canadian, anti-British and anti-Empire policy.

On Jan. 31st it was claimed that the old adage of trade following the flag had been replaced in modern times by another of the flag following trade. So, in Canada it was asserted by *The Star* in many and varied ways and week after week, month after month, that United States Reciprocity would weaken the Imperial

* NOTE.—The History of this Newspaper, up to the close of 1910, is recorded in the Special Supplement of THE CANADIAN ANNUAL REVIEW for 1910.

tie and strengthen American influence; the assertion of a nebulous Monroe Doctrine would further help the process of absorption and complication; United States settlers in the West would in time create an issue involving annexation or war. The Stars and Stripes would inevitably follow a trade built up by freedom and contiguity, held and intrenched by United States Trusts, helped by similarity of customs and habits, strengthened by public policy and 3,000 miles of invisible frontier.

The personal Appeal directed by *The Star* to Sir Wilfrid Laurier on Feb. 4 urging him on behalf of the Nation, of his own Party and of the Empire, to intervene and reject the Agreement negotiated by his own Ministers was a remarkable bit of Canadian journalistic tactics. It was clever, it was effective in arousing thought, it unquestionably attracted much public attention. The claim was earnestly pressed that this whole policy was a trap set at Washington and baited for men who had an honest and life-long belief in Reciprocity; the appeal was directed to Sir Wilfrid Laurier as being of the stature of a statesman and having long vision, deep insight and steadfast courage. The pivotal point was, perhaps, that of the following paragraph: "If we turn the swollen stream of our food exports away from the West-East lines that carry it to the British market and send it along North-South lines to the American market—or, rather, the American 'middle-man'—we will utterly shatter the costly steel framework of this nation and debase the Dominion to a string of subject Provinces serving the convenience of the nearest American centres. The 'bridge' over the wilderness of Lake Superior will be broken. Confederation will be cut at a half-dozen vital points. The Provinces by the sea will be isolated, their industrial future negatived, the arteries that lead to Old Canada will collapse through starvation and the Americans will think of them chiefly as a collection of fishing villages. Quebec will be the back-yard and lumber camp of New England." Following this vivid presentation of the issue —which was republished throughout much of the Conservative press—*The Star* alleged on Feb. 15th that there was a determined American effort to suppress Champ Clark's Annexation speech in the United States newspapers and in despatches to Canada. This charge was revived later on in connection with other addresses in Congress and the country. Much was made of Mr. Clark's utterances as coming from the Leader of the majority Party in the House of Representatives and on the above date this query was submitted: "Why have the Americans suddenly awakened to the importance of diverting Canadian trade to the American market? Why have they, all in a moment, determined to press upon our acceptance the key to their market in natural produce. Is it because of any sudden and unselfish love for us; or is it because they realize that Canada stands to-day at the parting of the ways and that if we are not turned definitely

toward a commercial union with the United States during the next few years it will be everlastingly too late to decoy us into the surrender of our national identity."

Upon the first refusal of the Senate to accept the Agreement *The Star* appealed to the Prime Minister once more to take advantage of the opportunity and to guard what it termed the dignity and safety and self-respect of Canada by withdrawing from an untenable position. Sir Wilfrid was urged (Mch. 6) in his coming speech to once more enable Canada "to tread the upland road of fiscal independence" and to avoid turning from her high destiny in order to become "the lumber-camp and dumping ground of the proud and prosperous American Republic." For days this was urged upon the Premier and the check given the legislation at Washington was variously described as a freeing of Sir Wilfrid's hands, as a "Truce of God," as an opportunity to save Canada. Page after page of names signed to a Petition of protest against Reciprocity were also published and, toward the end of March, a vigorous campaign of education was commenced having in view the alleged condition of United States farmers in New England and in various border States, the steady decline in the value of many farms and the desire of American farmers to emigrate to Western Canada, the pressure of conditions which had created thousands of deserted homesteads and un-cultivated farms—all in regions blessed with free and life-long access to the great market of 90-million people.

Following this, and notably on Mch. 31, *The Star* had article after article intended to throw suspicion upon any "kindness to Canada," any "gift" in tariff or trade which "the quarrelsome, eminently practical, and naturally selfish American politicians" might agree to offer. The only reason, it declared, could be a hidden hope of Annexation with, in the meantime, a check to Empire unity and partial control of Canadian resources and policy. Much was made of the rare Party unanimity at Washington: "Nothing (Apr. 12) is too good for Canadian Reciprocity. The rampant Democracy sinks party in the face of such an issue. They are as patriotic as they would be in the midst of a great national war. And the man who leads this party which has lifted Reciprocity out of the ruck of party politics is the man who said in explanation of his conduct on this very Bill that 'We are preparing to annex Canada.'"

Always and everywhere "the Parting of the Ways" speech of President Taft was put before the public, and on May 1st came one more appeal to Sir Wilfrid Laurier to adjourn the discussion of Reciprocity in Parliament so that Canada might be properly represented at the Coronation and the Premier perform his duty in this respect to the people and the Empire. In June much space was given to the power and wealth and alleged merciless character and influence of the United States Trusts; in July and during

August stress was laid upon Industrial conditions in the Republic, the hard times that threatened its people, the million of workers said to be out of employment, the consequent pressure which would follow Reciprocity in natural products to obtain admission for American manufactures to the prosperous and growing Canadian market. On July 3rd *The Star* pointed out that Canada was fairly bursting with prosperity, its factories working overtime and Railways being built as rapidly as labour and material could be secured, and inquired, "Do we want Reciprocity in depression?" Buffalo was described as stagnant and so with Pittsburg; Cleveland was facing a severe depression and Cincinnati had Bank clearings of 81 millions less than in the depressed times of 1907; Chicago was behind Canadian cities in business activity and prosperity; the New England States were suffering from contraction in the textile industries; Detroit was curtailing production and dismissing workmen. These conditions were elaborated on July 28-29, Aug. 2, 4, 7, 8, 9, 10 and other dates and the Canadian workingman was told that he had been forgotten and that the whole Government appeal was to the farmer. On Aug. 19 illustrations were given of the homestead at West Townshend, Vermont, once occupied by three generations of President Taft's family but now abandoned to weeds and decay and desolation. Such conditions, it was alleged, were to be met with all over the New England States and within all the boasted advantages of the great, free United States market for agricultural products.

As the Elections drew to a close cartoons were used to emphasize arguments and, on Sept. 7th, the remarkable cabled utterance of Rudyard Kipling was given full page prominence and, especially, the phrase "It is her own soul that Canada risks to-day." W. R. Hearst and his New York journals were vigorously attacked for circulating Reciprocity literature in Canada and, on Sept. 6, Montreal was stirred into holding a mass-meeting of opposition to the Hearst papers' intervention in a Canadian election. On the 11th *The Star* published a number of telegrams from leading Canadian journals (Conservative) joining in the protest against this policy. A day later it made public Cables from certain newspapers in South Africa, India, New Zealand and Australia declaring Reciprocity a menace to Imperial unity. The approach of Election Day made *The Star* still more aggressive in its utterances. A page was devoted on Sept. 16 to the consideration of a large heading: "Annexation the End; Reciprocity is merely the Means" and another page to an illustration containing the Stars and Stripes on one side and the Union Jack on the other with these words in the centre: "Under which Flag?"

The issue was finally urged and reiterated as involving the dissolution of the British Empire; the breaking of "the light and almost imperceptible bond" described by President Taft as uniting the Dominion to the Motherland; the prevention of a trade

agreement between Canada and Great Britain; the incorporation of Canada in the American rather than the British commercial system and, ultimately, Annexation to the United States. On Sept. 20 *The Star* proclaimed the defeat of Reciprocity and declared that Ontario would give a big Conservative majority with the probable defeat of several Ministers. The result—the defeat of the Government on the 21st—was described as meaning that "there shall be two great nations on the North American continent." Such, in a brief summary, was the position of *The Star* during 1911—a position which it afterwards claimed to have been amply justified by President Taft's admissions in the correspondence made public during 1912. Whatever may be thought individually or politically of its opinions, its policy, or its statements, there can be no doubt of the influence wielded and of the energetic and able character of *The Star's* opposition to Reciprocity.

ANNUAL ADDRESSES AND REPORT OF

THE BANK OF MONTREAL

Montreal, December 4, 1911.

The 94th annual general meeting of the Shareholders of the Bank of Montreal was held on Dec. 4th, 1911, in the Board Room, at the Bank's headquarters. Amongst those present were:—Mr. R. B. Angus, Sir Edward Clouston, Bart., Sir William Macdonald, Sir Thomas G. Shaughnessy, Messrs. D. Morrice, H. V. Meredith, E. B. Greenshields, Hon. Robert Mackay, James Ross, W. Molson Macpherson, C. J. Fleet, K.C., Dr. H. B. Yates, G. F. C. Smith, Rev. G. H. Parker (Lennoxville), C. H. Cahan, K.C., William H. Evans, Hugh Paton, George Hooper, Henry Joseph, M. S. Foley, W. R. Miller, John Hamilton, George Durnford, C. S. Garland, W. Blackader, William Stanway, Mr. Archibald, C. Meredith, Mr. Alexander, Bartlett McLennan, James Crathern, P. F. McCaffrey, John Beatty, H. Meredith Smith, H. Dobell, J. B. Learmont, John Patterson, H. B. Scott, C. W. Buchanan, and James Skeoch.

On motion of Mr. W. M. Macpherson, the President, Mr. R. B. Angus, was requested to take the chair. It was then moved by Mr. C. J. Fleet, K.C., seconded by Dr. H. B. Yates, that Messrs. G. F. C. Smith and Bartlett McLennan be appointed to act as Scrutineers, and that Mr. James Aird be the Secretary of the meeting. This was carried unanimously.

The President's Address.

The President, Mr. R. B. Angus, then moved the adoption of the Report, seconded by the Vice-President, Sir Edward Clouston, Bart. The President said:

I beg to move the adoption of the Report; and in doing so I have to call attention of the Shareholders to two important changes in the Annual Statement. The one that was authorized by you at the Special Meeting of 5th September, and subsequently approved by the Treasury Board, provided for an increase of the Capital Stock by $1,600,000—mainly with a view of extending to that amount the right to increase the issue of notes in circulation. This appeared to be urgently demanded as the circulation

of this Bank had reached the legal limit, the amount of the paid up capital; and as other Banks were much in the same position, it was feared that a great scarcity of currency would soon be experienced.

Another considerable change in the Statement at this time will be seen in the treatment of Bank premises account, which for years had been represented by the comparatively insignificant sum of $600,000, notwithstanding the large expenditure recently incurred for Bank buildings and for providing suitable accommodation for the increasing business throughout the country. Your Directors have been frequently criticised for having charged the full amount of the cost under this head against the profits of the year, and it has been suggested that we should alter our system to conform to that of other Banks in the published statements. We have therefore had a conservative valuation made of the property, which results in the figures now submitted, namely, $9,088,000, land $4,735,000 and buildings $4,353,000, and have taken back less than half that amount or $4,000,000—more adequately to represent this item in the balance sheet. To adjust bank premises, consequently, the sum of $3,400,000 has been applied and the balance carried forward.

The calls on New Stock extend over a period of nine months and the payments being completed the capital will stand at $16,000,000, and the Rest at a like amount. On 15th September last, we sustained a loss of $271,721.00 by burglary at New Westminster, one of our important branches, where a considerable amount of money had been provided for the payment of wages. A small portion so far has been recovered in addition to the insurance and the balance has been written off.

The business of the Bank has been fairly prosperous during the year, although the employment of spare funds, in call and short loans, has been less productive than usual, the prevailing rates having been extremely low in New York and London during the whole period. The ordinary deposits show a gratifying increase, while those of a temporary character have to some extent fallen off, as we have been unwilling to encourage them at a higher rate of interest. The money markets of Great Britain and the Continent of Europe have taken freely of Canadian bonds and stocks, municipal, railway and industrial. There was a brief interval of dullness but that condition seems to have passed and well vouched for securities are again in good demand. There is ample room for the employment of foreign capital in this rapidly developing country and it becomes the more imperative that no issue having any taint or doubtful value should be submitted to the foreign investor.

During the year under review, Canada has enjoyed a period of great prosperity in almost every department of trade and commerce and has undoubtedly added largely to her permanent

and productive wealth; although this has been more marked in the Prairie Provinces and British Columbia, Ontario, Quebec and the Maritime provinces have not failed to participate. The mining industry of British Columbia has taken on a new life, although the prolonged coal strike has seriously interfered with the operation of the mines and lessened their product. The mines in Ontario have been wonderfully productive. The iron and coal of Nova Scotia have had a large output and promise to be more profitable when their organization is more complete. Manufacturers have been fully occupied and new industries of every description are springing up in all parts of the Dominion.

In Immigration from Europe and the United States, Canada has attracted 348,633 souls to her population, an increase over the previous year of 56,369. This item alone, represents a very substantial gain; the value of each immigrant in money and property brought into the country has been variously estimated, and in the aggregate we know it must be very great; but still more to be valued is the advantage of the advent of so many additional hands, mostly farm labourers, who repair at once to the lands which lie open to their enterprise.

The increasing immigration, the consequent development of new acreage and the various climatic conditions make it difficult to estimate the result of the harvest. For instance the generally accepted figures for last year ranged from 80 to 95 million bushels of wheat, while the final outrun showed actually 118 millions in round figures. I have from a capable and well informed source the following estimate for this year. He says with regard to the Western crops:

Early estimates made by competent judges were in the neighbourhood of 200 million bushels. However, since then, these estimates have been reduced to about 180 millions, owing to subsequent unfavourable weather conditions. While the quality this year, as a whole, is not all that could be desired, the average prices being paid for the lower grades are even better than the prices obtainable in many previous years for the higher grades, and consequently the net cash returns will be the largest ever obtained from our Northwest. When considering the effect of the wheat crop in relation to its influence on the prosperity of our Dominion, the value of the other cereals produced in our Northwest must not be overlooked. If we accept the present estimates of the various important grains, which are as follows:—

Wheat	180,000,000	bushels.
Oats	200,000,000	do
Barley	35,000,000	do
Flax	7,000,000	do

the cash value to the farmer, at the average prices prevailing to-day, would be approximately over $235,000,000, no inconsider-

able sum, considering that this is exclusive of the farmers' receipts from various other sources, such as live stock, hay, root crops and dairy products.

Railway construction, especially in the Northwest, continues to manifest great activity; and while in its immediate effect it benefits the country by the expenditure of money and the employment of labour where the lines are judiciously chosen, it prepares the way for settlement and affords facilities for intercourse and ready access to markets. Most worthy of note are the extensive irrigation works in the Northwest by which the arid lands are converted into fruitful fields destined to become the homes of a large farming population. As to the ready-made farms they cannot be supplied fast enough to meet the wants of would-be settlers. While the C.P.R. took the initiative in this enterprise, it is being followed by large landholders and capitalists of Great Britain, who, from patriotic motives in some instances, are making such investments with the view of supplying homes and giving a fresh start in life to the surplus population of the Mother Country. Experimental farms for the instruction and convenience of settlers are also of immense advantage and are gradually being extended to every province of the Dominion.

A review of the various branches of trade and industry throughout the Dominion is beyond my province, although the Bank in its widespread operations is vitally interested in the commercial life of the country, and touches it at every point. I, therefore, attempt but a brief summary.

The dry goods trade of 1911 has been somewhat unsatisfactory. In the Spring stocks were heavy and the demand light, this being to some extent a legacy of the previous year. But a decided improvement has set in with much better prospects. In Canadian cottons a largely increased trade has been experienced with firm prices, and imports are gradually decreasing.

Early in the year also our woollen and worsted manufacturers suffered from the competition of foreign imports. Goods intended for the United States, where the markets were overstocked, were, according to Bradford reports, sold in Canada at a sacrifice, but that condition of things has been overcome and the mills are now well employed in goods for next season. Indeed, competent authorities report the wholesale trade to be at present in a comparatively flourishing condition and increasing in volume.

The iron and hardware trade and groceries are said to be decidedly good, although profits are somewhat curtailed by excessive competition. In boots and shoes a large and apparently profitable business has been transacted, notwithstanding the high price of leather. A most remarkable change has taken place in the values of butter and cheese, as compared with those of a year ago. Farmers have been receiving 3c. more per lb. for cheese, and 5c. to 6c. more for butter. The advance has been realized on

a considerable portion of the season's make—indicating that the farmers have received at least $3,000,000 more for their exports of dairy products than for the corresponding period of last year.

The hay crop of the Dominion for 1911 was less than the previous year, but the farmers have realized from it a larger return by $2 to $3 per ton, and a good demand exists both in the United States and Great Britain. The export of cattle continues to grow less each succeeding year, this being due in a great measure to the larger consumption of the home market and the increasing population both in the East and West.

The fisheries on our Atlantic Coast have been exceedingly prosperous and last year everyone who handled fish made money through the transaction. The fishermen had the biggest catch and obtained the highest prices recorded. This is true generally both in regard to our Maritime Provinces and Newfoundland. With regard to the Pacific Coast, the salmon pack is reported to have been an average one. The market is active and prices good. Other fishery conditions are generally satisfactory.

Recent changes in the tariff of the United States and the comparative failure of the water powers in that country have brought the pulp and paper making in Canada into prominence. Several of our mills have been successful in their operations; and with our extensive spruce forests and unsurpassed hydraulic powers this industry is sure to find a natural development in this country.

The lumber trade has been poor throughout the year, especially in British Columbia, which has had to face the keen competition of the Western States whose lumber has been forced upon the Canadian markets in consequence of the almost complete paralysis of business in their own neighborhood. In the East and especially of late, there has been experienced a marked improvement both in export and local account. In the latter there has been an unprecedentedly brisk and profitable demand in consequence of the activity of building operations.

This leads me to remark upon the real estate transactions which in some districts savour too much of speculation.. In Montreal and other large Eastern cities prices have long been in a measure dormant, until recently when the public suddenly realised the necessity of providing homes and commercial buildings for the vastly increased population. Hence the rise in values which is not without justification. The business of the port of Montreal shows a healthy increase. The total quantity of grain exported during the season of navigation is about 29,388,359 as compared with 26,349,514 bushels last season, while the exports of flour have almost doubled.

With the high prices of agricultural produce prevailing the farmers of Canada have had a profitable year, which is reflected in the satisfactory condition of general business in all portions of

the Dominion. There can be no more certain indication of the business activity and general prosperity of the country than the railway earnings, which are phenomenally large.

I regret to announce the retirement of Sir Edward Clouston, Baronet, from the General Managership of the Bank. After 47 years of service, 20 of which have been passed in the Chief Executive Office, it is natural that he should seek some relief from the ardous duties of that position. I am happy to say, however, that his mature judgment and great experience will still be available to the administration, when required, in the less strenous office of Vice-President. He will be succeeded by Mr. H. V. Meredith, an able and well qualified officer, who will surround himself with such capable assistants as are always to be found on the staff of the Bank.

Sir Edward Clouston and Other Speakers.

In seconding the adoption of the Report Sir Edward Clouston said:—

As the President has dealt with the general business of the country, I will confine the few remarks I make to the statement, a copy of which you have in your hands. To meet the wishes of the Shareholders, expressed at several of our meetings, and to conform to the custom of the other Banks in Canada, we have shown the amount expended on new Bank Premises during the past year. We have also obtained valuations of all our lands and buildings, and I do not think we can be accused of overvaluation when we place the value in our statement at $4,000,000, somewhat less than the value of the land alone. In fact, to the amount of $9,000,000 should be added the cost of uncompleted buildings, making it $700,000 more. The increase of $3,400,000 over former statements has been employed partly to increase our Rest to an amount equal to our Paid-up Capital, and the surplus has been carried to our Profit and Loss Account. Speaking as an individual, and in no way as a mouthpiece of the Board, I would not advocate increasing in future, our Rest beyond the Paid-up Capital. I should always like to keep the Profit and Loss Account at its present amount, as a Reserve, to be used when the Directors might see fit to do so in the interests of the Bank, and any surplus profits, after full appropriations have been made, I would suggest distributing among the Shareholders.

The shrinkage in deposits, as compared with last year, is accounted for by the fact that at that time we had very large special deposits, which were shortly after distributed. The regular deposit business of the Bank has been satisfactory. The increase in our Loans is an evidence that our Canadian business is steadily increasing. I think you will agree with me that the statement is a strong and satisfactory statement.

The President has mentioned that I have decided to retire from active Executive work. I have held the stage for a long time, for I find my service in the General Manager's position is more than double that of any of my predecessors. I have kept in mind, however, that while Corporations may go on forever, the men who manage them come and go, and with that in view I have always tried to arrange that the exit of any one man should not interfere with the business of the Bank. In passing over the reins of office to my successor, I feel I am doing a good thing for the Bank, and its Shareholders. Mr. Meredith has spent all his active business life in the service of the Bank, is familiar with its policy, is trained in its traditions, and has been uniformly successful in his previous appointments. I have no doubt he will be equally successful in the high office to which he is called, and I am quite satisfied your property will be handled conservatively.

Rev. G. H. Parker then made a brief address, enquiring whether there was a prospect of increased dividends to the Shareholders, with the increased earning capacity of the Bank. Mr. R. B. Angus—"This question has already been dealt with by the retiring General Manager. He was of course only speaking for himself and without any knowledge of what the year might bring forth, when we shall be in a better position to ascertain what the profits are. There is no doubt whatever that if the profits are adequate an additional dividend will be paid, but this depends so much on the outcome of the year's business that nothing definite can be said in anticipation."

The annual report was then unanimously adopted.

It was moved by Mr. Hugh Paton, seconded by Mr. George Hooper, that the thanks of the meeting be presented to the President, the Vice-President, and Directors, for their attention to the interests of the Bank.

Mr. Hugh Paton—"I am informed that it is not usual to speak to this motion. I will, therefore, content myself by remarking that it is peculiarly applicable to the present occasion, judging by the events of the year, and the work of the Bank as shown by the report just presented."

The motion was then unanimously adopted.

The President—"Gentlemen, on behalf of the President, the Vice-President and Directors, I wish to thank you for this mark of your renewed confidence. We have been able to carry on the affairs of the Bank during the year, with the loyal support of the staff, all of whom have been anxious to work for the furtherance of the interests of this Institution. I feel that all the officials and staff have done their duty, and on behalf of them I wish to express our appreciation of the cordial support we have always received in our work."

Moved by Sir Thomas Shaughnessy, seconded by C. R. Hosmer, that the thanks of the Meeting be given to the General Manager,

the Assistant General Manager, the Superintendents, the Inspectors, the Managers, and other Officers of the Bank, for their services during the past year.

This was unanimously adopted.

The General Manager (Sir Edward Clouston)—" On behalf of myself, the Assistant General Manager, and the other officers of the Bank, I wish to thank you for this kind motion. I have always realized that the success of anyone in the position I have held depends largely on the efficiency and loyalty of his staff. I feel that I have had that to a great extent in the past, and on behalf of the Staff I have much pleasure in thanking you for your sign of continued confidence."

Mr. C. H. Cahan, K.C.—" As a Shareholder I think it would be an expression of the feeling of all the Shareholders of this Bank if we, as Shareholders, moved an expression of our regret at the announcement of the retirement of Sir Edward Clouston from the chief executive office of the Bank, and an expression of our appreciation of the valuable services he has for so many years rendered to this bank and its clients. Sir Edward Clouston has during many years held a very important and distinguished place in the banking affairs of Canada, . Not only have his experience and services been of invaluable assistance to this bank, but by his clear judgment, keen insight and extended knowledge of business affairs, his advice has been of invaluable assistance to the clients of the bank, who have frequently used it in time of need. As a shareholder therefore I beg to move a resolution expressing our appreciation of the services of Sir Edward Clouston and our regret that the circumstances of his health and long service have rendered it necessary in his opinion for him to sever his connection with the bank as its chief executive officer."

This resolution was seconded by Mr. James Skeoch and unanimously adopted.

Sir Edward Clouston:—" I must thank the mover and seconder of this resolution, and the Shareholders, sincerely for all that has been said. I have always tried to do my best in the interests of the bank during my long connection with it, and feel very keen regret that I am now compelled to sever my connection with it as General Manager.

The ballot for the election of Directors was then proceeded with, and the following gentlemen duly re-elected:—Messrs. R. B. Angus, A. Baumgarten, Sir Edward Clouston, Bart., E. B. Greenshields, C. R. Hosmer, Sir William Macdonald, Hon. Robert Mackay, H. V. Meredith, D. Morrice, James Ross, Sir Thomas Shaughnessy, K.C.V.O., Rt. Hon. Lord Strathcona and Mount Royal, G.C.M.G., G.C.V.O. At a meeting of the Directors held later, Lord Strathcona and Mount Royal was elected Honorary President of the Bank, Mr. R. B. Angus, President, and Sir Edward Clouston, Bart., Vice-President.

ANNUAL REPORT OF THE BANK OF MONTREAL.

Sir Edward Clouston, Bart., the General Manager of the Bank, had, meanwhile, read the annual report of the Directors to the Shareholders showing the result of the Bank's business for the year ending 31st October, 1911.

Balance of Profit and Loss Account, 31st October, 1910		$961,789 11
Profits for the year ended 31st October, 1911, after deducting charges of management, and making full provision for all bad and doubtful debts		2,276,518 75
Premiums on New Stock		365,677 50
Adjustment Bank Premises Account		3,400,000 00
		$7,003,985 36
Dividend 2½% paid 1st March, 1911	$360,000 00	
Dividend 2½% paid 1st June, 1911	360,000 00	
Dividend 2½% paid 1st Sept., 1911	360,000 00	
Dividend 2½% paid 1st Dec., 1911	360,000 00	
	$1,440,000 00	
Amount credited to Rest Account	3,000,000 00	
Amount expended on new Premises during year	708,800 00	$5,148,800 00
Balance of Profit and Loss carried forward....		$1,855,185 36

Since the last Annual Meeting Branches have been opened at Grand Falls, Nfld., West Summerland, B.C., Suffield, Alta., Athalmer, B.C., Kamloops, B.C., and Port Haney, B.C.

At a Special Meeting of the Shareholders, held on 5th September, 1911, an issue of $1,600,000 new Capital Stock was authorized, making the total Paid-up Capital of the Bank $16,000,000, and at this date $1,013,000 of the New Stock has been subscribed for.

It has been decided to increase the Bank Premises Account to an amount which, while still thoroughly conservative, more closely approximates the value of our land and buildings as assets than did the former practice.

All the Offices of the Bank, including the Head Office, have been inspected during the year.

(Signed) R. B. ANGUS,

President.

Bank of Montreal,
4th December, 1911.

GENERAL STATEMENT, BANK OF MONTREAL.

Liabilities.

Capital Stock		$14,887,570 00
Rest	$15,000,000 00	
Balance of Profits carried forward	1,855,185 36	
	$16,855,185 36	
Unclaimed Dividends	1,508 01	
Quarterly Dividend, payable 1st December, 1911	360,000 00	
		17,216,693 37
		$32,104,263 37
Notes of the Bank in circulation	$15,914,654 00	
Deposits not bearing interest	46,187,554 74	
Deposits bearing interest	135,538,261 10	
Balances due to other Banks in Canada	175,687 44	
		197,816,157 28
		$229,920,420 65

Assets.

Gold and Silver coin current		$9,627,050 47	
Government demand notes		9,717,605 75	
Deposit with Dominion Government required by act of Parliament for security of general bank note circulation		700,000 00	
Due by agencies of this bank and other banks in Great Britain	$14,566,291 85		
Due by agencies of this bank and other banks in Foreign countries	3,408,981 89		
Call and short Loans in Great Britain and United States	42,602,772 00		
		60,578,045 74	
Dominion and Provincial Government Securities		675,479 94	
Railway and other Bonds, Debentures and Stocks		16,134,307 86	
Notes and Cheques of other Banks		7,013,395 71	
			104,445,885 47
Bank Premises at Montreal and Branches (Valued at $9,088,000.00; Land, $4,735,000; Buildings, $4,353,000)			4,000,000 00
Current Loans and discounts in Canada and elsewhere (rebate interest reserved) and other assets		$121,053,065 71	
Debts secured by mortgage or otherwise		188,204 43	
Overdue debts not specially secured (loss provided for)		233,265 04	
			121,474,535 18
			$229,920,420 65

Bank of Montreal,
Montreal, 31st October, 1911.

E. S. CLOUSTON,
General Manager.

HISTORICAL SKETCH OF

THE CONFEDERATION LIFE ASSOCIATION

This important Canadian Insurance organization commenced operation in the early years following Confederation; it has grown with the growth of the young nation whose best interests have been served by strong and reliable Insurance Companies; it has prospered with the development of Canada and by the exercise of careful business methods and a progressive general policy. It started operations in an optimistic spirit and with successful returns in its first year; it has maintained a peculiarly even and continuous progress ever since. Mr. John Kay Macdonald was, in 1870, the chief organizing influence in the formation of the Association; he was in various ways the dominating force in its early development; he is, in 1912, as its President, the head of one of the great Insurance concerns of Canada.

The Association was incorporated by Act of Parliament on Apl. 14th, 1871, with Sir Francis Hincks, C.B., K.C.M.G., Finance Minister of Canada, Hon. W. P. Howland, Lieut.-Governor of Ontario, Senator William McMaster, Hon. E. B. Wood, James Young, M.P., of Galt, T. N. Gibbs, M.P., of Oshawa, Colonel William McGiverin of Hamilton, Hon. M. C. Cameron, B. Homer Dixon, William Elliot, Edward Hooper, J. Herbert Mason, Robert Wilkes, M.P., William Gooderham, Jr., W. H. Beatty, Benjamin Morton, J. K. Macdonald, Prof. J. B. Cherriman, J. P. Russell, O. S. Winstanley, C. S. Patterson, James Beaty, Jr., and J. M. Trout as the incorporators. The Capital Stock was placed at $500,000—though the original intention was to make it $100,000; the Company was given the usual Insurance powers and authority with the right, also, of granting and disposing of "annuities and endowments of every description on the lives of both adults and children"; investments were permitted in a wide range of Dominion, Provincial, Municipal, Bank, Building Society, Real estate, Mortgage and other securities—enlarged by succeeding legislation and replaced in 1910 by the provisions of the General Insurance Act. The first Board of Directors named in the Act were taken from amongst the Incorporators—Sir F. Hincks, President, Messrs. Howland and McMaster, Vice-Presidents, Messrs. Cameron, Wood, Young, McGiverin, Gibbs, Elliot, Dixon, Hooper, Mason, Wilkes, Gooderham, Beatty and Morton.

Their initial meeting was held on Apl. 26th, with Sir F. Hincks and Messrs. McGiverin, Dixon, Morton, Wilkes, and Young present, together with J. B. Cherriman, M.A., and J. K. Macdonald. The latter was appointed Manager, Mr. Cherriman, Actuary, Dr. J. P. Russell and Dr. O. S. Winstanley, Medical Examiners, Patterson & Beatty, Solicitors, and J. M. Trout, Secretary. Mr. Macdonald preferred not to take the position of Manager at this time and Mr. W. McCabe was subsequently appointed General-Manager, while the former took a place upon the Board and helped in the organizing of Branches in Quebec. Nova Scotia, and New Brunswick. The 1st annual meeting was held on Dec. 11th, 1872, with Lieut.-Governor Howland in the chair and with reports submitted for a fiscal year ending Oct. 31st. At this date the paid-up capital was $50,000, there were 1,098 policies in force for $1,689,290, the premium income for the year had been $49,630, and the Assurance Fund for future claims was $29,570; the Reserve had been calculated on assurances at 4½ per cent. interest with only the receivable net premiums valued; the surplus available for dividends and Reserve was $4,237, but it was decided to hold the entire amount in reserve. The Association was reported as now established in the Provinces of Quebec, New Brunswick, Nova Scotia and British Columbia, with every prospect of success and as having in this first year of its operation "done more business than any Company operating in the Dominion."

Even at this early stage the belief was also expressed that the Association would become "one of the leading institutions in Life Insurance." The Directors elected were as follows: Sir Francis Hincks (President), Hon. W. P. Howland and Hon. William McMaster (Vice-Presidents); Hon. James McDonald, M.P., Halifax; Robert Wilkes, M.P., Benjamin Morton, W. H. Beatty and J. K. Macdonald, Toronto; Isaac Burpee, St. John; B. Homer Dixon, Edward Hooper, J. Herbert Mason, William Elliot, Toronto; James Young, M.P., Galt; T. N. Gibbs, M.P., Oshawa; Colonel William McGiverin and F. A. Ball, Hamilton; M. P. Ryan, M.P., Montreal.

At the 2nd annual meeting (Dec. 10th, 1873) satisfactory progress was reported and a most hopeful outlook apparent. It was pointed out that the Association held $91,561 invested in first-class securities with a net liability to Policyholders of only $37,914 and that the average of income carried to Reserve was 61·59 per cent., while in American Companies as a whole it was at this time 33·32 per cent. Sir Francis Hincks retired from the Presidency at this meeting and Hon. W. P. Howland replaced him, with Senator McMaster and J. K. Macdonald as Vice-Presidents, and S. Nordheimer as the new Director. In 1874 the fiscal year was changed to Dec. 31st and the annual Report for the 14 months showed a dividend to Shareholders of 8 per

cent. and a surplus of assets over all liabilities totalling $19,884. This year also saw Mr. J. K. Macdonald installed as General-Manager of the Association—a designation changed in the succeeding year to that of Managing-Director. Mr. W. Elliot became Vice-President. During 1875 the Association gained a million in its policies in force while, owing to depression and other causes, United States Companies operating in Canada lost a total of three millions. In his address the President quoted the Managing-Director as to the great field existing for expansion. During the past seven years British and American Companies had obtained gross premiums in Canada of $12,660,000, while the British Companies had in 1875 $18,725,000 of Canadian insurance and United States Companies $43,596,000, as compared with a Canadian total of $21,959,000. The growth of business through the depression of the Seventies and the period—commencing in 1880—when national progress joined in aiding the progress of the Association is shewn in the following table:—

Year.	New Policies Issued.	Premiums.	Insurance in Force.	Assurance and Annuity Fund.	Surplus of Assets over all Liabilities.	Total Assets.
Oct. 31,						
1872...	$1,689,290	$37,424	$1,689,290	$29,570	$4,237	$100,952
1873...	719,300	48,689	1,798,630	44,679	17,379	113,293
Dec. 31,						
1874...	1,665,908	89,809	2,641,708	81,911	19,884	162,283
14 mons.						
1875...	1,603,915	101,834	3,422,915	135,407	26,361	223,474
1876...	1,500,746	119,652	4,004,089	183,661	42,373	289,209
1877...	1,616,558	132,609	4,888,755	250,601	49,278	369,870
1878...	1,957,018	148,899	5,465,858	313,989	68,640	456,337
1879...	1,614,357	157,819	6,052,766	381,597	96,106	560,767
1880...	1,812,290	187,899	6,924,274	462,271	122,675	676,566
1881...	2,065,050	217,987	8,159,663	568,923	179,050	877,459
1882...	2,510,387	282,408	9,909,246	739,230	62,898	966,938
1883...	2,558,163	313,432	11,204,534	936,346	112,322	1,152,728
1884...	2,420,392	354,448	12,370,185	1,118,041	188,736	1,415,944
1885...	2,297,038	380,088	13,009,715	1,284,343	282,199	1,676,334
1886...	2,794,100	475,102	14,680,816	1,565,500	357,634	2,032,710
1887...	2,605,095	524,829	15,794,369	1,845,770	129.413	2,262,365
1888...	2,627,843	516,082	16,762,937	2,234,415	178,584	2,553,362
1889...	2,396,500	585,935	17,711,404	2,519,920	230,248	2,894,502
1890...	3,103,467	626,502	19,311,780	2,867,255	298,896	3,311,643

During these years the paid-up Capital remained at $50,000 and the subscribed capital at $500,000 until 1882 when the former was increased to $80,000 and in 1887 to $100,000 and the latter to $1,000,000. Meanwhile substantial dividends were paid—in 1877 and 1878 there was a dividend of 8 per cent. and a bonus of 2 per cent.—and in 1879-1880 a 10 per cent. dividend. Thereafter it varied going as high as 15 per cent. in one year. In 1876 the first quinquennial division of profits gave the Policyholders $15,184; in 1881 they received $128,621; in 1886 $270,660. In the first ten years of its operations, ending Dec. 13, 1881, the Association had returned to its Policyholders in death claims $225,123; for surrendered policies, $64,575; for loans on policies, $15,244 and for profits $151,714; while the addition of the Policy Reserve to these amounts gave a total of $1,058,612 paid to, or held for, the

benefit of Policyholders. At the annual meeting of this year Mr. W. H. Beatty, in speaking, gave the keynote of the Association's policy in his statement that " the one great desideratum of a Life Insurance Company is safety."

During 1882 a violent attack was made upon the Association and its investments by the New York *Insurance Times*. It was, therefore, decided to have the Policy and Annuity obligations valued by J. B. Cherriman, Dominion Superintendent of Insurance and Sheppard Homans, the New York actuary. The result was that the former placed the net liability at $727,307 and the latter at $700,252 as compared with the Association's figures of $739,230—a creditable showing for the latter and due to its unusual course of adding a percentage to the Net Reserve for contingencies over and above the Mortality Table and rate of interest calculations used by the Dominion authorities. As illustrating the high character of the Company's agency staff Mr. W. Elliot at the annual meeting of 1883 pointed out that of $282,482 handled by agents during 1882 only $35.56 was reported as " written off." The President pointed with pride to the fact of ten millions of Insurance being in force at the close of ten years of operation.

At the annual meetings in these years pride was often expressed in the economy of the management and the high reputation of the Association for honourable dealing. Even its Agents were content to accept smaller commissions than other Companies granted when they noted the small remuneration voted the President and other officials. Frequent reference was made to the depression which so affected every interest of the country in the years around 1885. Despite this condition the business grew in volume although the new Insurance fluctuated somewhat in its total amount. There was not much change in the Directorate between 1872 and 1890. From time to time, however, a new name appeared—in 1876 W. H. Gibbs, M.P., of Oshawa; in 1880 A. McLean Howard of Toronto; in 1883 Mr. (afterwards Sir) J. D. Edgar; in 1885 W. S. Lee and A. L. Gooderham. In 1880 Mr. (afterwards Colonel) William Campbell Macdonald became connected with the Association and in 1887 was appointed Actuary, becoming in 1903 Secretary also—a joint position he has held ever since.

The Directors' Report (Apl. 13), 1886, drew attention to the apparent determination of many competing Companies to secure business at any cost—a result, in part, of an alleged effort of foreign Companies to depreciate the native institutions. In this year it was decided to change the quinquennial period from an arbitrarily fixed year to that of the quinquennial period of each individual policy and it was stated the working expenses of the Association were only 17 per cent. of the total income. *The Shareholders Gazette* of Apl. 23rd declared that the Confederation Life

with its growing surplus and business methods, showed that it could "not only make money but keep it." At the 1887 annual meeting (Apl. 12) this view was again illustrated in the Report: "In the opinion of the Directors the time has arrived when the rate of interest used in calculating the policy liabilities should be reduced from 4½ per cent. to 4 per cent. The large increase in the Reserve, amounting so nearly to $300,000, will indicate how fully provision has been made for the future payments which are sure to be required. So thoroughly has the necessity for absolute safety been realized by the Board, which, in the face of the greatly reduced rate of interest now (and likely to be) obtainable on first-class investments, can only be assured by reducing the assumed rate of interest that they have determined to hold a large sum undistributed."

In this year preparations were made to put up a new building on the corner of Yonge and Richmond Streets, Toronto. The quinquennial profits allotted in the preceding year—the last of the old system—were in the proportion of 95 per cent. to the Policyholders and 5 per cent. to the Shareholders or one-half of what the latter were entitled to claim. The Annual Report in 1888 attacked "illusory" Insurance proposals then current and stated that the year's business, despite these conditions, showed a satisfactory result obtained at moderate cost. The average rate of interest received from the Association's investments was reported as 6½ per cent. Figures quoted on this occasion (Mch. 20) showed the total paid to Policyholders in 1880-87 for death claims, annuities and reductions on premiums, as being $1,171,935 while the total security available for the Policyholders was now $2,975,183. In the 1889 Report an interesting statement showed the net death claims paid in 17 years to have been met, practically, by the Interest and Rents payable to the Company during that period. At this time attention was called to some of the special features and advantages claimed for the Confederation Life as follows:

A Home Company with all its assets invested in first-class Canadian mortgages, debentures and securities.

Its Premium rates are from ten to fifteen per cent. lower than those of British or American Companies.

All Policies are incontestable after three years (subject only to proof of age).

All policies are free from restrictions as to residence and travel after three years.

Policies are non-forfeitable after the payment of two full annual premiums.

Profits, which are unexcelled by any Company doing business in Canada, are allocated every five years from the issue of the policy, or at longer periods, as may be selected by the insured.

Profits so allocated are absolute and not liable to be reduced or recalled at any future time under any circumstances.

Participating Policyholders are entitled to not less than 90 per cent. of the profits earned in their class, and for the past seven years have actually received 95 per cent. of the profits so earned.

During 1889 progress was made in the conspicuous Head Office building for which a site had been purchased in 1888 at a cost of $95,000—with Messrs. Knox, Elliot and Jarvis as Architects. An office building was acquired in Winnipeg and, it may be added here, a handsome new structure was underway in 1911 to be completed in the ensuing year. Amendments to the Charter were asked and obtained from Parliament increasing the value of property which the Association could hold, varying or reducing the number of Directors to not less than 10, limiting the shares to be held by any one person, and obtaining the right to purchase ground rents. At the 1891 annual meeting (Mch. 31) Mr. W. C. Macdonald, the Actuary, referred to the Association's low death rate—$6.10 per $1,000 of Insurance. Only in three years had the death rate of the Company in its whole history exceeded three-fourths of 1 per cent.; only once had the net death rate reached $8.50 per $1,000. " If we looked at the death rate of all the Companies doing business in Canada for 1889 we would find the average annual death rate was just about 1 per cent. or $10 per $1,000." Great care in the selection of Confederation Life risks was given as the cause of this difference.

It was pointed out in 1892 that during the previous 20 years the Association had paid to its policyholders and annuitants the sum of $2,153,649—of which $605,228 was in cash dividends; while its Insurance in force had increased at the end of five-year periods from 4 to 8 millions, from 8 to 14 millions and from 14 to 20 millions. The annual meeting of 1892 (Apl. 26) found Sir W. P. Howland dealing energetically with the rebating evil as unfair to policyholders, agents and Companies. On Oct. 11th of this year the Association took possession of its new Building —one of the handsomest occupied by any financial institution in Canada. Both as an investment and advertisement it was expected to provide and did provide excellent returns. At the annual meeting of May 9th, 1893—the first held in the new building—many tributes were paid to the management of Mr. J. K. Macdonald, Managing-Director, and a portrait of him was unveiled by the President as a gift of the Directors to the Association. At this time the total sum paid to, or held on policyholders' account, was $8,402,493.

The general business of the Company was not impaired by the financial depression of 1893-96. In 1894 the death occurred of William Elliot, for many years Vice-President of the Association and Chairman of the Agency Committee. Mr. W. H. Beatty was elected a Vice-President in his place. During this year the policy contracts were changed so as to eliminate many restrictions as to residence, limitations as to travel, a long list of prescribed occupations, conditions as to military service and suicide. A new Accumulative Policy was also created under which the Association made all possible enquiries about the applicant—

history, family, occupations, residence, etc.—before accepting the application but once accepted they assumed all further risk with payment of premiums as the only condition. A new non-forfeitable clause was also announced for future policies—the insurance to continue (if the first two years' premiums were paid) for its full face value and for as many years as the reserve accumulations under the policy would carry the insurance. Pride was expressed at this time as to the prompt payment of claims—the average period in 1893 upon $209,108 worth, accrued and paid, being a little over 5 hours after receipt of completed proofs; of the fact that in the past eight years the total claims paid were $1,120,674 and the premiums received thereon $295,472 or a return to the policyholder of $380 for every dollar received by the Association.

In 1897 the Directors were able to report "a satisfactory volume of new business secured by purely business methods and at a fair cost," with a decreased ratio of Expenses to Income. On this latter point Sir W. P. Howland made some comments at the 1898 meeting (Mch. 15). For the last three years, he stated, there had been a continued diminution in expenses despite increased competition in all parts of the country. On Mch. 14, 1899, Mr. W. C. Macdonald, the Actuary, gave figures in this connection: "Our ratio of expenses to income for the year 1894 was 19·97 per cent. For the year 1898 it was 17·15 per cent., and the average expense ratio for the five years 1894 to 1898, inclusive, was 18·25 per cent. It will thus be observed that the expense ratio for 1898 was 1·10 per cent. less than the average expense ratio for the past five years, and was 2·82 per cent. less than that of the year 1894."

Meanwhile the Association, which had partially anticipated in 1895 the action of Parliament in putting the valuation of policy obligations on a 3½ per cent. basis instead of 4½, was able to meet the legislation of 1899 with a condition already accomplished in part while on new business to be obtained, in and after 1900, the basis was placed at 3 per cent. It was pointed out in 1898 that the Association had paid in cash profits to its policyholders up to this time $1,034,214 or 43 per cent. of the total death claims during the same period. It was a notable fact that in this year six of the 13 Directors on the Board represented the Policyholders alone and owned no stock in the concern. At the 1901 annual meeting (Apl. 29) emphasis was laid upon the fact that since the organization of the Association the accrued Interest and Rents had not only sufficed to pay all death claims but left an excess margin of $378,856. In the preceding year Edward Hooper, a pioneer worker in the Association for many years and a Vice-President, had died and been succeeded by W. D. Matthews.

At the close of 1901 Sir W. P. Howland declined re-election as President and was replaced, after 30 years of continuous connection with the work of the Association, by Mr. W. H. Beatty while Mr. Fred. Wyld was elected Vice-President. During the

1902 annual meeting (Mch. 18) the new President referred to an important point in the Association's policy as follows: "I believe the ratio of expenses to income of this Company is the lowest of any of our home companies. Our aim has been to decrease the expense ratio and to avoid paying needlessly large amounts in commissions to agents and in rebates to new policyholders to the disadvantage of existing policyholders and of those to whom rebates have not been given. It was thought more advisable to add to the surplus than to expend money in the manner mentioned." In 1902 the Association commenced to seek business in the West Indies and Mexico. F. W. Green, who had been for some years Manager for the Maritime Provinces, was appointed Manager for Mexico and H. R. Tilley, who occupied the position of Cashier at the Head Office, was appointed Manager for the West Indies and Central America. Business showed an increase in every direction and the total Profits earned for Policyholders to the close of this year were $2,156,821 or 13·61 per cent. while the net premium income received since organization had been $15,-844,655. The surplus of Interest and Rents over death claims was $518,188.

During these years the prosperity of the Association reflected the progress and growing wealth of the country. At the close of 1903 it was reported that $17,736,212 had been paid or held on Policyholders' account since organization while the net premium income was $17,374,910—showing that for every $100 received the Association had paid or now held for the Policyholders $100.20. New Insurance advanced in 1904, 1905 and 1911 by over a million a year and by $5,100,000 in 20 years; the total Premiums received were multiplied by three in that period and the Insurance in force jumped from 20 to 57 millions; the growth of the Surplus of assets over all liabilities—including the paid and subscribed capital stock—increased five-fold and the Assets in similar proportion. The detailed figures were as follows:

Year.	New Policies Issued.	Premiums and Annuities.	Insurance in Force.	Assurance and Annuity Fund.	Surplus of Assets over all Liabilities.	Total Assets.
1891...	$2,917,228	$700,455	$20,587,130	$3,226,467	$312,067	$3,675,292
1892...	3,672,591	716,978	22,565,752	3,600,760	293,423	4,115,170
1893...	3,917,543	796,505	24,430,731	4,001,198	294,469	4,520,133
1894...	3,528,204	807,735	25,455,342	4,339,215	301,672	4,870,833
1895...	3,544,920	852,874	26,611,718	4,757,451	334,254	5,324,438
1896...	3,131,995	907,321	27,560,423	5,170,371	371,930	5,779,210
1897...	3,168,172	931,561	28,332,005	5,673,813	336,806	6,237,689
1898...	3,186,450	965,626	29,677,418	6,230,728	363,977	6,825,116
1899...	3,962,368	1,000,011	31,565,304	6,751,812	367,872	7,373,141
1900...	3,099,644	1,063,748	32,332,908	7,146,311	400,771	7,799,983
1901...	2,892,167	1,051,319	33,152,085	7,715,630	439,948	8,372,081
1902...	3,400,495	1,139,054	34,609,831	8,292,983	485,861	8,988,986
1903...	4,137,973	1,196,811	36,687,383	8,833,366	535,384	9,663,853
1904...	5,017,988	1,262,344	39,347,847	9,519,733	610,495	10,352,122
1905...	6,002,122	1,380,053	42,500,350	10,140,198	700,499	11,100,079
1906...	6,067,879	1,521,297	45,119,516	10,816,796	836,271	11,944,416
1907...	6,686,493	1,580,310	47,980,414	11,529,465	984,479	12,791,736
1908...	6,859,579	1,678,495	49,756,359	12,173,486	1,091,529	13,521,969
1909...	6,455,194	1,750,631	51,797,428	12,802,792	1,324,320	14,354,815
1910...	7,040,174	1,880,245	54,154,944	13,350,955	1,624,185	15,190,287
1911...	8,082,524	2,033,952	57,401,980	14,380,252	1,670,226	16,336,364

The record of the years following 1904 were uneventful years of quiet progress. The rate of interest earned on investments had always been a matter of pride with the Association—coupled as it was with the essential of security—and in 1905 it averaged 5·07 per cent. In 1906 Sir W. P. Howland passed away after sitting on the Board since the inception of the Association. It was pointed out in this year that not only did Policyholders have 5 out of 12 Directors on the Board but that holders of the " with profits " policy had a right to attend and vote at general meetings with a vote for each $1,000 of participitating insurance held. The year 1907, with all its investigations and disturbance in the Insurance world, saw the usual quiet progress in the Confederation Life. It was stated at the annual meeting (Feb. 11, 1908) that the Association had 3½ millions invested in Western mortgage securities with $1,831,000 in Ontario, Quebec, and the Maritime Provinces. In the 1909 Directors' Report attention was again called to the continued reduction in the ratio of expense to income—1¼ per cent. as compared with 1908; the rate earned upon investments had, meanwhile, increased 5¼ per cent. The Association had this year 10½ millions invested in bonds, mortgages and stocks.

At the annual meeting on Jan. 25th, 1910, it was stated that the Head Office block, or Confederation Life Building in Toronto, had more than realized investment expectations and was now giving a return better than first-class debentures would give. Meanwhile the Association had extended its outside organization from Mexico and the West Indies to Great Britain in 1906. Here its Chief Office was established in London with several local branches and in the course of the next few years branches, also, at Cardiff, Birmingham, Liverpool, Glasgow, Manchester, Belfast and Dublin. At the 1911 annual meeting (Jan. 31) Mr. J. K. Macdonald uttered a note of warning to the country as well as to Insurance Companies: " The history of the Company, as you know, has been one of steady conservative progress. It seems to me that there is an unhealthy rush in the present day to grow big quickly, as well as to acquire wealth speedily, and it may, I think, fairly be questioned if it is in the best interests of our institutions or our people. I also doubt if the same measure of sacredness attaches to the provision for dependent families as in former years. The readiness with which money can be borrowed on policies of Life Insurance at a moderate rate of interest, while a boon in cases of real need, seems to become a temptation when a prospect to get rich quick presents itself."

The Association's investments at this time were divided as follows: British Columbia, $146,301; Alberta and Saskatchewan, $2,320,294; Manitoba, $2,099,460; British and Foreign, $369,769; Ontario and Quebec and the Maritime Provinces, $5,402,936. During 1910 the new Om. (5) Table of Mortality

(British Life Offices) was used in valuation of Insurances in place of the Hm. Table of the Institute of Actuaries and, in 1911, the business issued prior to 1896 was changed from a 4½ to a 4 per cent. basis. At the 1912 meeting, the most important incident was the retirement of Mr. W. H. Beatty from the Presidency, the election of Mr. J. K. Macdonald in his place and many tributes to the latter as the founder and builder of the Association. Mr. W. D. Matthews was elected Vice-President and Chairman of the Board and Mr. Frederick Wyld Vice-President. The other Directors chosen were Sir Edmund Osler, Sir William Whyte, W. H. Beaty, D. R. Wilkie, S. Nordheimer, Hon. James Young, John Macdonald, Cawthra Mulock, and Joseph Henderson. The new Directors, who had come and gone in the preceding 20 years, were not many and included George Mitchell, Halifax, C. H. Gooderham, Toronto, J. J. Long, Collingwood, and Dr. A. J. Johnson, Toronto. The latter remained associated with the Company as Medical Director, which post he still held in 1912. It may be added here that the first Solicitor of the Association was C. S. Patterson, Q.C., afterwards a Judge; then for many years James Beaty, Q.C.; in and following 1903 C. P. Smith. During 1912 Mr. W. C. Macdonald, Secretary of the Company, received the high honour of election as President of the Actuarial Society of America. In conclusion the later progress and position of the Confederation Life cannot be better indicated than by the following statistics in certain matters which afford legitimate pride to all Insurance organizations:

Year.	Paid to or Held on Policyholders' Account.	Proportion Paid or Held for every $100 Received in Premiums.	Surplus of Interest and Rents over Death Claims Paid.	Profits Earned for Policyholders since Organization.	Percentage of Profits Earned upon Premiums Paid.
1904...	$19,219,895	$103.12	$732,387	$2,507,621	13·70%
1905...	20,807,180	103.94	883,429	2,422,108	12·30%
1906...	22,457,107	104.26	1,055,324	2,624,916	12·09%
1907...	24,210,591	104.29	1,209,976	2,850,323	13·00%
1908...	26,027,892	104.96	1,424,751	3,036,432	13·00%
1909...	28,002,478	105.48	1,703,013	3,376,458	13·00%
1910...	30,107,833	105.90	2,049,911	3,778,092	14·03%
1911...	32,379,821	106.30	2,431,027	3,971,251	14·02%

HISTORICAL SKETCH OF

THE CANADIAN PACIFIC RAILWAY

The construction of a great Railway amid pioneer conditions, through immense stretches of little known country, around the rocky shores of Lake Superior, across the wilderness between the Great Lakes and the Red River, over the vast unsettled prairies of the West and the mighty mountains of the Pacific Coast, was, in itself, a task of herculean proportions. When the country backing the project was divided in opinion as to its practicability and as to methods of construction, and the source of financial support in London found the issue clouded with pessimism and obscured by politics, the greatness of the task looms still more largely upon the pages of history. The personal factor in the record of the Canadian Pacific has never been adequately treated, the romance of that record has still to be dealt with—perhaps at some future time by Sir William Van Horne or Sir Thomas Shaughnessy. In these pages only the practical, business evolution and progress of a great undertaking can be considered.

A passing reference must be made to the history of the project before it was taken hold of by the Company which achieved the triumph of its creation and operation. A British-American transcontinental railway had been the ideal of dreamers for half a century. Thomas Dalton of the old-time Toronto *Patriot;* Sir Richard Bonnycastle, a British soldier, Engineer and writer in 1846; Sir John Harvey, Governor of Nova Scotia in 1847; Robert Christie, the Canadian historian, and Major Carmichael-Smyth; Joseph Howe, in a prophetic speech in 1851 and the Hon. John Young of Montreal; Chief Justice W. H. Draper at Toronto and Sir E. Bulwer-Lytton in London (1858); the Earl of Carnarvon in 1859 and Sir Sandford Fleming in 1862; were amongst the earlier and more conspicuous believers in the project. On July 1, 1870, the Dominion Government passed an Order-in-Council referring to the proposed entry of British Columbia into Confederation and pledging "the commencement, simultaneously, within two years from the date of Union, of the construction of a Railway from the Pacific towards the Rocky Mountains, and from such points as may be selected east of the Rocky Mountains towards the Pacific, to connect the seaboard of British Columbia with the railway system of Canada and, further, to secure the completion of such Railway within 10 years from the date of Union." In 1871 Mr. Sandford Fleming was appointed by the Dominion Government Engineer-in-Chief of Surveys and made his first Report upon

the subject; a little later Britsh Columbia came into the Confederation (July 20) with a transcontinental railway as one of the conditions.

The Canadian Parliament (35 Vict. Chap. 71, June 14, 1872) approved a general charter for the construction of the Railway by an independent Company. Two Companies applied for and obtained charters—one being composed of Sir Hugh Allan, Hon. J. J. C. Abbott, Donald A. Smith and others, incorporated as The Canadian Pacific Railway Company; the other being organized by the Hon. D. L. McPherson of Toronto. Capital could not be obtained, however, the Government's strong effort to amalgamate the Companies failed and, finally, a charter was given to a re-organized Company with Sir Hugh Allan at its head which undertook to construct and operate the Railway for a land grant of 50,000,000 acres and $30,000,000 of cash subsidy. Serious political complications ensued and, eventually, the Government of Sir John Macdonald was replaced by that of Alexander Mackenzie. An Act was then passed (37 Vic. Chap. 14) and became law on May 26, 1874, repealing the 1872 Act. Under the terms of the new legislation there developed a scheme of gradual construction of isolated lines of road, making use of water stretches on the route, and working, from 1875 onwards, to a period of expected continuity and completeness.

When Sir John Macdonald came into power again, in 1878, he found a situation in which the public had at last grasped, to some extent, the importance of this continental route to the unity and expansion of the Dominion. British Columbia was, also, pressing for the more rapid carrying out of Federal pledges while a steadily increasing measure of national progress promised to provide better revenues to the Government. In 1879 the opportunity presented itself for a development of the project under strong and organized auspices. A Syndicate of Canadian and American capitalists led by George Stephen and J. J. Hill had been latterly operating the St. Paul and Pacific Railway—an American line running through Minnesota to the Canadian border and connecting there with the Pembina and Winnipeg branch of the proposed continental road. Negotiations were commenced with these financiers looking to their assumption of the greater enterprise and, on May 10, 1879, Sir Charles Tupper moved in the House of Commons a series of Resolutions embodying the Government policy. Eventually, on Oct. 21, 1880, a Contract was signed by the Minister of Railways representing the Government of Canada and by George Stephen and Duncan McIntyre of Montreal, J. S. Kennedy of New York, R. B. Angus and J. J. Hill of St. Paul, Morton Rose & Co. of London and Kohn, Reinach and Co. of Paris, representing what was popularly called the C.P.R. Syndicate. The latter body was duly incorporated by Letters Patent on Feb. 16, 1881, following, as The Canadian Pacific Railway Company.

Meanwhile, the Contract had been presented to the House of Commons on Dec. 13, 1880, by Sir C. Tupper and, after prolonged and keen discussion, was passed and assented to by the Crown on Feb. 15, 1881—44 Vict. Chap. 1. By its terms the Company was to receive from the Government of Canada a cash subsidy of $25,000,000 and a land grant of 25,000,000 acres, under certain definite and restricted conditions. They were to construct the road to the Pacific within ten years and afterwards to operate it; they were to have the right of way through public lands and the necessary ground for stations, docks, etc.; Steel rails, telegraph wire and other articles for use were to be duty free. The sections of railway built or building—135 miles from Winnipeg eastward to Rat Portage, a branch line running 65 miles from Winnipeg to Emerson near the United States boundary, 300 miles of road from Rat Portage to Lake Superior, and 213 miles from Port Moody on the Pacific Coast to Kamloops in British Columbia—were to be handed over by the Government to the Company and unfinished portions were to be completed by the Government. The whole 713 miles were estimated at a total value and cost of $35,000,000. All the Company's property connected with the road and its capital stock were to be free of taxation. The Company was given the right to construct branch lines along its route, to establish Steamship lines and to build and operate Telegraph lines. The Government also undertook that for 20 years no line south of the Railway should be chartered by the Dominion, or by any Province created by it, in such a way as to permit of competition in the West.

The work before the new Company was not an easy undertaking. The difficulties of construction were enormous; the engineering skill needed to overcome them now seems to have been little short of the marvellous; the costliness of many portions of the Line was as great as the obstacles of nature were threatening. It required gigantic faith to enter upon the plan of construction; immense energy and financial skill to carry it through. Nor were conditions very favourable to the large monetary operations which were necessary. The initial capital of the Company was $5,000,000 issued at par, and this was increased in May, 1882 to $25,000,000—the new stock being allotted to existing shareholders at 25 per cent. of par. The larger shareholders were George Stephen (23,411 shares), D. McIntyre & Co. (18,534 shares), J. S. Kennedy & Co. (17,558 shares), J. J. Hill (19,509 shares), R. B. Angus (19509 shares), D. A. Smith (19,509 shares), Martin Rose & Co. (29,364 shares). Arrangements were made (Shareholders' Meeting, July 19, 1881) for the issue of $25,000,000 of Bonds with Sir Alexander Campbell, Hon. A. Mackenzie and Samuel Thorne of New York as Trustees. Of these Bonds $18,333,000 were outstanding on Dec. 31, 1883, after the redemption of a portion by Land sales—and the deposit of

$5,000,000 with the Government as security under the Contract. The financial difficulties of this period are illustrated by the fact that on Dec. 29, 1881, it was decided to issue Preferred Stock in accordance with the Charter and that none was actually sold while at the first annual meeting on May 10, 1882, the sale of the remainder of the authorized capital stock of the Company was approved at a rate of 25 cents on the dollar but was not disposed of. On Nov. 28, 1882, the Capital Stock was again increased to $100,000,000 and $40,000,000 of this was sold at an average price of 52 per cent.; leaving the Company's paid-up capital stock as $65,000,000 with which to finance a Line from Callander Station, near Lake Nipissing, Ontario, to the Pacific Coast. Under its Charter, however, the Company was authorized to issue Preference Stock to an amount not exceeding $10,000 per mile of its Main Line and branches, and to issue Land Grant Bonds to the amount of $25,000,000 secured by mortgage upon its entire Land Grant and bearing interest at 5 per cent.

The organization meeting of the new Company took place at Montreal on Feb. 17, 1881, when the first Board of Directors was selected as follows: George Stephen (President), Duncan McIntyre (Vice-President), Richard B. Angus and James J. Hill, John S. Kennedy, Henry Stafford Northcote and Pascoe Du P. Grenfell of London, Baron J. de Reinach of Paris. On Dec. 7, 1881, Mr. McIntyre became 1st Vice-President and R. B. Angus 2nd Vice-President. A. B. Stickney had been already appointed (Feb. 17) General Superintendent of the Western Division and on Jan. 1, 1882, W. C. Van Horne, General Superintendent of the Chicago, Milwaukee and St. Paul Railway, became General Manager of the C.P.R.

It is impossible here to more than faintly indicate the obstacles in the way, the struggles, vicissitudes and personal sacrifices which had to be faced during various periods of the enterprise by the men in control of the project. In London, where most of the money had to be obtained, a lukewarm feeling existed toward the enterprise. Moneyed men were influenced by the natural hostility of the Grand Trunk Railway toward this new and formidable competitor; by the tremendous difficulties which nature had placed in its path; and by the double fact of so many millions of English capital having been already invested in the Grand Trunk and of more millions being required to meet the possible success of new and powerful competition. It was of course fully expected and understood that the C.P.R. could not remain a simple link between Montreal and the West but would seek Eastern connections and make itself, in time, a great continental line. There were also political complications and the debates of Parliament in January, 1881, in March, 1882, and in February, 1884, afforded ample aid to pessimists or hostile critics at home or abroad.

Meantime construction—which commenced in June, 1881—

had to proceed, branch lines be built or purchased, connections made with important points from the Atlantic Coast to the Pacific Ocean. By the end of 1881 the Canada Central Railway (105 miles) had been acquired, construction was proceeding between Callander and Sault Ste. Marie, the portion of the Quebec, Montreal, Ottawa and Occidental Railway (commonly known as the North Shore Line) between Montreal and Ottawa, *via* St. Jerome and Aylmer, had been purchased for $4,000,000—together with its branch lines, the Laurentian and St. Eustache Railways—and 163 miles were constructed on the prairie west of Winnipeg. At the end of 1882, 748 miles were under operation. The main line had been completed 347 miles from Montreal to Callander and the difficult work along the north-western shore of Lake Superior—610 miles from Sturgeon River to Thunder Bay—was proceeding steadily. Mr. Van Horne's policy as General Manager was energetic, even strenuous. He believed that the road should be and must be built and that it could not be properly styled the Canadian Pacific Railway until it became a through continental line independent of United States roads. Hence the early rush of 10,000 men into the Lake Superior region—a waste of forest, rock and muskeg where every mile of road had to be hewn, blasted or filled up. From Winnipeg westward the main line was completed and in operation 512 miles to Swift Current; a branch line from Winnipeg, southwesterly, 100 miles to Pembina on the international boundary, was also finished; while, in Ontario, a branch line of 100 miles running from Carleton Place to Brockville connected the main line with the New York State railway system.

Altogether on Dec. 12, 1882, there were 500 miles of road built by the Government and equipped by the Company, 1,230 miles built or acquired by the Company, 213 miles being completed by the Government under the original Contract, and 1,363 miles under construction by the Company. The rolling stock owned by the Company consisted of 146 Locomotives, 87 Passenger cars, 1,003 Freight cars, 3,449 Platform cars. Despite isolated, disconnected and incomplete conditions, the gross earnings of the Eastern Division in 1881 were $519,677 and of the Western Division (8 months) $441,813. For both Divisions in 1882 the gross earnings were $3,326,920. The financial position at this time (Dec., 1882) showed the issue of $25,000,000 Land Grant Bonds of which $5,000,000 were held by the Government; the sale of 6,452,000 acres of land at $17,222,000 to apply on redemption of these Bonds; the assumption of obligations in the purchase or amalgamation of subsidiary lines from Montreal or Brockville to Callander of about $5,500,000; the availability of 18,548,000 acres of land for sale or security in the further progress of the undertaking. In these early years of the undertaking, it may be added here, the Chief Engineers in charge of construction were General Rosser and Messrs. James and Smellie for short periods

each while from 1884 to 1902 P. A. Peterson held the position, in 1902-3 E. H. McHenry and in 1903-6 W. F. Tye. In the latter year F. P. Gutelius and F. F. Busteed came into engineering control of the Eastern and Western Lines respectively; in 1907 the latter was replaced by J. E. Schwitzer and in 1909 the former was succeeded by J. G. Sullivan; in 1911, for a brief period ended by his death, J. E. Schwitzer was Chief Engineer of the whole Line; with J. G. Sullivan appointed in 1912 Assistant Chief Engineer Western Lines and J. M. R. Fairbairn Assistant Chief Engineer Eastern Lines.

In 1883 important steps were taken. The South Eastern Railway and allied lines were acquired in order to connect the C.P.R. at Ottawa with the Atlantic seaboard; the Algoma Branch (96 miles) and the Selkirk Branch (22 miles) were, also, completed. At a special General Meeting of shareholders on Nov. 5th an arrangement was approved under which the C.P.R. acquired permanent leasehold rights in a consolidation of the Ontario and Quebec Railway—running 211 miles from Smith's Falls toward Montreal and from Perth into Toronto; the Credit Valley Railway (Toronto to St. Thomas, 116 miles, and thence to London) and the Toronto, Grey and Bruce running 120 miles from Toronto to Owen Sound; the Atlantic and North-West Railway running from Mile End to Lachine with its projected Bridge over the St. Lawrence into Montreal. The total cost or liability involved in this connection of Montreal with Toronto and London was $17,887,500. By the end of 1883 the Company had built another 693 miles of Railway and had under operation 1,552 miles with gross earnings of $5,423,695 and expenses totalling $4,862,552. At this time, also, and with a view to improving financial conditions, an Agreement was made (10 Nov., 1883) with the Dominion Government under which the Company deposited with the Government in moneys and securities $16,091,152 to constitute a Fund which would secure for ten years, from Aug. 17th preceding, a minimum dividend at the rate of 3 per cent. upon the paid-up Capital Stock of $65,000,000. In return the Government undertook to pay interest on the 16 million at 4 per cent. and to pay out of it a half-yearly dividend of $975,000 and such additional dividend as might be required by the sale of the non-subscribed stock of $35,000,000 still in the hands of the Government and for which additional pro rata deposits would be made by the Company.

In a circular addressed to the Shareholders on Dec. 29, 1883, President George Stephen explained the new Dividend arrangement and dealt once more with the hostility of financial and press critics. He stated that the work of construction had been "economical and rapid beyond all previous experience"; that the Contract with the Government would be completed within two years or in barely half the time specified and agreed upon; that the business

of the Line was already greater than could have been expected before the completion of the road; that the settlement of the North-West, despite public depreciation of its advantages and resources, was progressing more rapidly than would have been deemed possible three years before; that the cost of the Railway would not exceed original estimates and that the net earnings would, on completion of the Line, provide a handsome dividend for the shareholders. Neither this circular, nor the Government guarantee of dividends, nor evidences of constructive progress and financial strength, were, however, sufficient to meet the objections and criticism then current in London and Canada, and the Company were face to face, early in 1884, with the chief crisis of their pioneer period. At this time (Dec. 31, 1883) the Directors were George Stephen (President), Duncan McIntyre, R. B. Angus, and the Hon. Donald A. Smith—who had in 1882 replaced James J. Hill on the Board—John S. Kennedy, of New York, P. Du P. Grenfell, H. S. Northcote and Charles D. Rose of London, Baron J. de Reinach of Paris, R. V. Martinsen of New York and W. L. Scott of Erie, Pa.

At the opening of 1884 it was found that the stock of the Company remained practically unsaleable despite the guarantee of dividend, and, in March, shares which had been selling at $60 per $100 and were expected to advance, had fallen below $40. President Stephen in a report to the Shareholders on Jan. 15 explained the situation as follows: "I regret to say that the (Guarantee) arrangement so made has not attained its object in any degree. The stock markets of the world have been in a depressed state for some months. The credit of the Company, its means and resources, and the capabilities of the North-West Territories as an advantageous field for emigration and colonization have been systematically decried and assailed by the most calumnious and unfounded statements." Therefore, although the Company was "possessed of ample means and resources" for the completion of the Line as promised it could not realize upon its property or remaining stock. By an Act (47 Vic. Chap. 1, assented to 5th March, 1884) the Government and Parliament, however, came to the support of the Company with a loan of $22,500,000 repayable in 1891 with interest at 5 per cent. From this the Company was to receive at once $7,500,000 for the extinguishment of floating debts—the remainder to be paid out as construction proceeded. As security the Government was given a first lien and charge upon all the property of the Company including the Railway line, branches, equipment and Land grants.

The 3rd annual meeting of the Company was held in Montreal on May 14, 1884, when it was decided to lease the Manitoba and South Western Colonization Railway running 91 miles from Winnipeg to Holland and 80 miles from the C.P.R. terminus at

Manitou (Pembina Branch) to Whitewater Lake with rights of extension, under its charter, to the Souris River. John S. Kennedy of New York retired from the Board and Duncan McIntyre declined re-election. Mr. Van Horne replaced Mr. McIntyre as Vice-President and retained the post of General Manager. At a special General Meeting on Aug. 16 the purchase of the St. Lawrence and Ottawa Railway running 53 miles from Prescott to Ottawa was approved. There were complicated relations at this time between the Government of Quebec and the North Shore Line running from Montreal to Quebec City; they were, eventually (1886), settled by the Company's acquisition of the road. In August, 1885, the Ontario & Quebec Line from Perth to Toronto was opened for traffic. During the year, also, arrangements were made for the placing of two Clyde-built steel steamships on the Great Lakes between Owen Sound and Fort William and the Eastern and Western Divisions were thus connected by water; while on Sept. 16, Mr. Van Horne made this interesting statement in a Report to his Directors: " I do not hesitate to say that the C.P.R. has more good agricultural land, more coal and more timber between Winnipeg and the Pacific Coast than all of the other (United States) Pacific Railways combined and that every part of the line from Montreal to the Pacific will pay."

The Assets of the Company on Dec. 31, 1884, were stated at $216,711,725 of which there were 2,658 miles of railway and appurtenances valued at $115,173,416; 713 miles built by the Government at $35,000,000; 21,399,737 acres of agricultural land rated at $2.00 an acre or $42,799,474; a balance of $14,288,288 in the Government's hands for payment of 9 years' dividends; and a miscellaneous total of $9,450,545. The Liabilities included Capital Stock of $65,000.000, Canada Central bonds of $1,823,-333, an amount of $3,500.000 due the Quebec Government for the Q.M.O. and O. Railway, the Dominion Government Loan account of $26.007,512, Land Grant Bonds (outstanding) of $3,688,000, and a floating debt of $6,895,461—total $106,914,306. The earnings of the uncompleted Railway in 1884 were $5,750,521, and the expenses $4,558,630.

Meanwhile, the financial arrangements of this year with the Government, though helpful for the moment, were considered very tight and insufficiently elastic by the Company and, in 1885, a re-arrangement was urged. On Mch. 18 of this latter year Mr. George Stephen wrote the Minister of Railways and Canals asking for an arrangement under which the Company could apply its resources to other branches of operation than actual construction. Reference was again made to " the enemies of the Company at home and abroad " and to unfounded misrepresentations as to its conduct, credit and control as well as attacks upon the North West. " As it was found impossible to realize upon the unsold stock (early in 1884) some of the Directors resident in Montreal, gratui-

tously came to the assistance of the Company, pledging their personal credit and their own private securities for the benefit of the Company. Upon the opening of the Railway in the Spring it cannot dispense with a full provision for its efficient and vigorous operation. . . . Its roadbed for the 2,900 miles from Montreal to the Pacific, its facilities for handling traffic, and its equipment, must be of the highest class." Improvements, therefore, had to be made, Terminal facilities provided, workshops built and furnished with expensive machinery, elevators constructed, etc. By succeeding legislation (48-9 Vict. Chap. 57) the $35,000,000 stock was cancelled, and a similar amount of 1st Mortgage Bonds, bearing 5 per cent. interest and with the same security as the 1884 Loan, created. Of these Bonds the Government accepted $20,000,000 as security for an equal amount of the outstanding Loan—upon which the interest was reduced from 5 to 4 per cent. The proceeds of the remaining $15,000,000 of 1st Mortgage Bonds were then made available for payment of floating debts and the provision of additional equipment and facilities for the Railway. Of these Bonds $8,000,000 were handed to the Government for a temporary loan of $5,000,000 but were released in July, 1885, by the payment of the loan, when Messrs. Baring had sold this portion of the Bonds at 95 per cent.

The annual meeting of 1885 (June 13) found the Railway nearing completion in its Main Line from Montreal to Port Moody —or as it was changed by a few miles of further construction— Vancouver. The President in his address referred to the "unparalleled rapidity of construction"; to the figures of his Report as "not approached in the history of Railway construction"; to the aid already given the country in the transportation of troops to suppress the North-West insurrection; to the capital stock as commencing to be appreciated in investment circles and to the fact that 40 millions of it were held in England, 10 millions in the United States and 15 millions in Canada. The earnings of this year were $8,368,493 and the expenses $5,143,276. On Nov. 7th the Hon. Donald A. Smith on behalf of the Company drove at Craigellachie, B.C., the last spike in the last rail of the Main Line; and in doing so received a cable of congratulation from H.M. the Queen.

As to this memorable event the President's Report of May 12th, 1886, described the Railway as completed "after 53 months of arduous labour, some anxiety, and much unfair and undeserved hostility." Mr. Stephen added in prophetic terms: "With its main line stretching from the Atlantic seaboard to the shores of the Pacific: with its extensive system of branch and connecting lines, enabling it to reach the chief centres of trade in Canada and the northern United States, with its own steamships on the Great Lakes, and all this under one management; with the further great advantage of having only to provide for a total capital charge,

including bonds, leases and ordinary charges, of less than $30,000 per mile, or about one-fifth of that of its American competitors; with all these advantages and its superior facilities for attracting business and conducting it economically and efficiently, and with no telegraph, sleeping-car, or elevator companies, or any other private interests whatever to sap its revenues; the Canadian Pacific Railway can hardly fail to meet the expectations of its projectors and to be a source of large and certain profit to its shareholders; and, finally, with the establishment of steamship connections of the best class, both on the Atlantic and the Pacific, it must soon become a powerful factor in the world's commerce." On June 28, 1886, the Line was in operation across the Continent.

The London *Times* on June 30th following congratulated the country by declaring the conception of this Transcontinental road to have been "a magnificent act of faith on the part of the Canadian Dominion" and the Company as having "executed within a few years a work which a generation ago might well have appalled the wealthiest and most powerful of nations." At this time (1885) the C.P.R. Passenger rate was an average of 2·45 cents per passenger per mile as compared with 3·44 cents on the Northern Pacific and 3·11 on the Union Pacific; while the average Freight rate was 1·20 cents per ton per mile as against 1·96 on the Northern Pacific and 1·80 on the Union Pacific. It was pointed out with pride by the Company at this beginning of a transcontinental career that its route from Montreal to Vancouver was 2,906 miles and to New York *via* Brockville 3,162 miles; while the Northern Pacific Line from New York to Portland, with its shortest connections, was 3,235 miles and the Union and Central Pacific by their shortest route to San Francisco totalled 3,271 miles. During 1885, also, the Company's first Grain Elevator was built at Montreal with 600,000 bushels capacity, with another at Port Arthur for 1,700,000 bushels and one at Owen Sound of 350,000 capacity. The Telegraph service was completed this year for the lines built and the future city of Vancouver was laid out and named.

With the year 1886, when a regular through passenger service from Montreal to the Pacific commenced (June 28), there began a period of expansion and acquisition—a period in which the Canadian Pacific from being an issue in Dominon politics and a problem in finance and construction, became a potent national factor. As the promoters of the project were shrewd and far-seeing enough to know the prosperity of the C.P.R. was bound up in and depended upon the progress of the country. It became, therefore, a great business and financial influence in advertising Canada, in describing by multitudes of pamphlets and publications the vast resources and riches of the almost unknown West, in persuading intending emigrants from Great Britain and, in time, from the United States and Continental Europe, that Canada was the country of the present and the future. At the same time its manage-

ment had to complete a complex system of branch and associated lines which would be feeders to the Main Line and sweep into its control a reasonable and profitable portion of the business of the Dominion; they had also to plan and carry out an extension of Steamship facilities on inland Waterways and upon the Pacific Coast—with ultimately a far wider and more important expansion upon two great Oceans. In the former connection Mr. Harry Moody became Manager of the London Office of the Company in 1886; in 1890 he was succeeded by Mr. Archer Baker as European Manager. Mr. Baker remained until his death in 1909 and conducted a publicity campaign which has perhaps never been excelled. The first step in all this progress was the putting of the finances into first-rate shape—a condition which construction, earnings, credit and prospects now made practicable. On Mch. 30 (1886), therefore, an Agreement was made with the Government by which the latter accepted 6,793,014 acres of the Land Grant at $1.50 per acre, or $10,189,521, in payment of $9,880,912, and interest, of the Debt due by the Company and received about $10,000,000 in cash with a completed payment on July 1 following—the whole $29,980,912 being thus redeemed five years before it was due. At the same time Messrs. Baring placed £4,191,500 of 5 per cent. 1st Mortgage Bonds of the Company in London at 104.

In the control of the Company an important change took place early in the period 1886-99. Sir George Stephen—who had been created a Baronet in 1886 in recognition of his great services to Canada and the Empire as President of the Railway since 1881—retired in 1888 and was replaced by Mr. W. C. Van Horne with Mr. T. G. Shaughnessy, who had been Assistant General-Manager since 1885, as Assistant President. Mr. Van Horne had been General-Manager throughout the period of construction and a Vice-President since May 20th, 1884. Meanwhile, Mr. R. B. Angus was, between 1881 and 1885, 2nd Vice-President of the Company. It may be added here that the Executive Committee of the Board of Directors—which in 1881 and 1882 included Mr. Stephen, Duncan McIntyre, R. B. Angus and James J. Hill and in 1882-1884 was similarly composed with Donald A. Smith replacing Mr. Hill—consisted during this new period (1884-90) of Sir George Stephen, Sir Donald A. Smith, Sir W. C. Van Horne and Mr. R. B. Angus, and in 1891-99 of the same members with Mr. Shaughnessy replacing Sir George Stephen.

Events now moved rapidly. At the annual meeting on May 11, 1887, it was stated that the St. Lawrence Bridge and extensions from Smith's Falls to Montreal and from Woodstock to London would be in working order on July 1st while provision had been made for new terminals at Montreal and Toronto. A preliminary transportation of Oriental products from Vancouver was announced and temporary arrangements for Steamship connection

with Yokohama and Hong Kong. Great deposits of copper had been discovered near the Railway at Sudbury and smelting furnaces were under construction, extensive iron deposits had been found in the same region, and the silver mines near Port Arthur were proving rich; while anthracite and bituminous coal mines had been opened on the line of the Railway from Calgary west and, everywhere along the railway in British Columbia, discoveries of gold and silver were reported. In the Prairie Provinces a vast production of grain loomed upon the horizon as more than a probability. The extension of the main line from Port Moody, 14 miles, to Vancouver and a branch line to New Westminster were completed at this time together with two branches of the Manitoba South-Western Railway. The completion of the Manitoba and North-Western Railway—shortening the distance between Ontario and western points— also occurred in this year.

At the 1887 meeting, also, an organization of the C.P.R. called the Atlantic and North-West Railway Co. was announced as having entered into an agreement with the Dominion Government to construct the "Short Line Railway," so-called, extending from the south end of the St. Lawrence Bridge, eastward by way of Sherbrooke and Lake Megantic and across the State of Maine, to a connection with the Railway system of New Brunswick and Nova Scotia. The Agreement (which was approved) provided for a Government subsidy of $186,000 annually for 20 years while a subsidy of $63,400 for 20 years was also arranged for construction from Fredericton to Moncton. This Short Line traversed a well-developed agricultural country and touched a number of important manufacturing centres, opened up a valuable timber and mineral region and was expected to bring a large traffic to the main line. The saving between Montreal and St. John, as compared with the Intercolonial route, was 279 miles and between Montreal and Halifax 101 miles. An agreement with the Duluth, South Shore and Atlantic and the Minneapolis, Sault Ste. Marie and Atlantic Railways to construct a Bridge at Sault Ste. Marie was also confirmed.

Meanwhile there developed an important public issue in connection with the so-called "Monopoly Clause" in the C.P.R. Charter. Article 15 of this document provided that for 20 years the Dominion Government should not authorize the construction of any line of railway running south from the main line of the Canadian Pacific to any point within 15 miles of the International boundary. Out of this clause a political controversy had developed; the settlers in the West were told that competition was needed in order to provide greater facilities and ensure lower rates; the Provincial Government in Manitoba supported the proposed construction of the Red River Valley Railway from Winnipeg to the United States frontier in a measure which was disallowed at Ottawa; and there followed a clash of opposing forces and a frustrated attempt to cross the C.P.R. tracks without the

consent of the Dominion Government—which by a subsequent Supreme Court decision in December, 1888, was declared necessary. The object of the Clause and the defence of the Company were placed before the C.P.R. shareholders on Sept. 12, 1887, in an elaborate circular from President Stephen which may be briefly summarized:

1. The object and spirit of the Clause was the protection of the Dominion's interests in the West, as well as the Company's, from the encroachment of United States lines during the infancy of the enterprise.

2. The Company required protection because it had to construct an enormously expensive railway through what was believed to be an unproductive wilderness north and east of Lake Superior—1,100 miles of road which might never be self-sustaining.

3. The expected traffic of the Prairie Section was absolutely necessary to the procuring of capital and to the success of the Railway. Without this provision for protection the necessary capital could not have been secured and the Railway could not have been built.

4. In a public sense the Government desired these detached Provinces to be connected and bound togther by a Canadian Railway and the older Provinces had been heavily taxed for this national purpose. The burden was heavy and the Western country's trade was the only adequate return.

5. The Company, under the moral obligation of this Clause, had commenced a system of Branch Lines in Manitoba costing, up to 1887, $5,700,000.

6. The whole trouble was alleged to have been caused by over-speculation in Winnipeg and some other towns and not by a real need for Railway competition. The Company had kept its rates for passengers and freight below those of United States Railways similarly situated. "It has been the aim to so adjust tariffs that the settlers in the Canadian North-West should receive more for their farm products and pay less for fuel, etc., than similar settlers in the United States."

Eventually an arrangement was effected between the Dominion Government and the Canadian Pacific Railway and under the terms of an Agreement signed on April 18, 1888, the restriction upon competitive construction was removed and in return the Government agreed to guarantee the interest on Company bonds at 3½ per cent., totalling $15,000,000 and payable in 50 years, taking as security a mortgage upon the unsold balance of the Land Grant stated to be 14,934,238 acres. This land was to be sold by the Company as opportunity offered and the proceeds placed in a Fund for payment of these Bonds. The money realized from the Bonds was to be spent as follows: $5,498,000 on Main Line improvements, $5,250,000 for increased rolling stock and $4,252,000 on Main Line elevators, bridges, etc.

Following this incident the Railway's development continued apace. Good crops came to the North-West settlers and helped immigration; arrangements were made for the construction of steamships to run between Vancouver and Hong Kong *via* Yokohama, and the Imperial Government granted a Subsidy of £60,000 for the purpose to the Company.; the Company's Telegraph service was extended throughout Ontario and Quebec and during 1888 reached the Atlantic coast cities; the Lake Steamers and Sleeping-car service showed handsome profits and the two-year old town of

Vancouver became a sea-port of 7,000 people. On Jan. 14, 1889, President W. C. Van Horne issued a letter to the Shareholders dealing with certain elements of rivalry and competitive action between the C.P.R. and the Grand Trunk interests and explaining why it was absolutely necessary for the Canadian Pacific to reach out for and obtain the trade of the older Provinces with the newer West.

At the 1888 Session of Parliament power was given the Company to consolidate its various obligations into a perpetual 4 per cent. Debenture Stock and in 1889 $4,380,000 were issued. By 1899 the total issue was $54,237,082. In 1893, it may be added here, the Company took advantage of a Parliamentary restoration of its Charter authority to issue 4 per cent. Preferred Stock—under a two-thirds vote of the Shareholders and limited to one-half of the ordinary shares outstanding—and $6,424,000 was at once taken up for use as new capital. By 1899 $26,791,000 of this Stock was outstanding. Following the Government's permission in 1885 to replace the unsold Capital Stock of $35,000,000 with 1st Mortgage Bonds this item of liability—to be exact $34,998,633—became a permanent charge and was added to by the assumed liabilities of acquired branch lines until, in 1899, it totalled $47,238,086. The ordinary Capital Stock remained during this period at the original figure of $65,000,000. Another liability in these years was the Land Grant Bonds, originally issued at $25,000,000, with 25,000,000 acres as security. In 1885 this had been reduced by sales of land and by the surrender of 6,793,014 acres to the Government to $3,612,500; in 1889 it was added to by the $15,000,000 issue of that year; and in 1899 it stood at $18,259,500. All these moneys, including the Government's original cash subsidy of $25,000,000, Provincial and Municipal subsidies of $4,551,218, and the net proceeds of Land sales ($20,960,250) with Surplus earnings in reserve, totalled on Dec. 31, 1899, $279,418,274 as against similar Liabilities on Dec. 31, 1886, of $161,485,798. The following table indicates more clearly this development:

Year. 31 Dec.	Total Assets.	Acreage of Lands Unsold.	Estimated Value per Acre.*	4% Debenture Stock.	Mortgage and Land Grant Bonds.	Cost of Road.†
1886...	$161,485,798	14,959,718	$2.00	.....	$49,785,019	$129,454,321
1887...	165,548,810	14,934,237	2.00	.....	47,729,019	135,689,628
1888...	180,004,825	14,807,536	3.21	.....	66,350,019	141,895,287
1889...	187,208,257	14,674,916	3.46½	$4,380,000	66,394,186	144,686,101
1890...	198,122,727	15,245,963	3.57	12,040,606	66,395,186	153,374,797
1891...	206,554,127	15,444,200	3.57	19,770,492	66,382,686	159,488,722
1892...	225,393,537	17,162,296	3.25	34,953,008	66,514,086	164,940,555
1893...	238,420,508	17,080,474	3.17	39,819,675	66,514,086	171,997,315
1894...	233,859,033	17,273,039	3.05	41,279,675	66,514,086	173,542,180
1895...	235,812,286	17,347,536	3.19	42,353,018	66,512,086	174,281,173
1896...	239,735,664	17,608,394	3.30	45,347,843	66,511,086	175,881,782
1897...	245,786,330	17,468,339	3.18	46,055,870	66,509,586	179,671,271
1898...	264,031,205	17,154,179	3.13	48,061,866	66,502,586	192,707,666
1899...	279,418,274	16,758,049	3.11	54,237,082	65,497,586	218,407,334

* NOTE.—After 1892 these figures are the average selling price.

† NOTE.—Including (1) Main Line, (2) Acquired Lines, (3) Branch Lines; not including $35,000,000 cost of portion received from Government, or the cost of Equipment until 1899.

For the total Liability of 1899 the Company had a mileage on its main line and leased or purchased lines of 9,816 as compared with 4,651 miles in 1886 when it commenced operations. Besides the Lines already specified these tables included the construction of the Atlantic and North West Railway between Montreal and the Maritime Provinces which was opened on June 3, 1889; the control and further construction of the Minneapolis, St. Paul and Sault Ste. Marie Railway connecting the places mentioned, and the Duluth, South Shore and Atlantic connecting Duluth and the Sault, which were also inaugurated for traffic on the same date and which by 1899 had a mileage respectively of 1,245 and 589; the extension of the Ontario and Quebec system from London to Windsor and Detroit (1889); the building of a large terminal station at Detroit in conjunction with the Wabash and other United States lines and consequent connection with Chicago and St. Louis; the carrying of the Qu'Appelle, Long Lake and Saskatchewan Railway from Regina to Prince Albert, and an operating arrangement with the Calgary and Edmonton Railway, running from Calgary to Fort Macleod; the acquisition of the Columbia and Kootenay Railway in British Columbia with 200,000 acres of a Land Grant from the Provincial Government, and the lease of the Shuswap and Okanagan Railway, also in British Columbia.

In 1890 the New Brunswick Railway Company's system (417 miles) was leased; in 1891 various extensions of branch lines were made in the West—notably to the coal fields of Assiniboia—the Temiscamingue Railway and the Montreal and Ottawa (Vaudreuil to Fortune) Lines were purchased and the Tobique Valley Railway leased; the Guelph Junction Railway was also leased and in 1892 authority obtained to purchase the Alberta Railway and Coal Co. line running from Dunmore, 109 miles, to Lethbridge. During this year, also, the Company made the "Esplanade Agreement" (July 26) with the Grand Trunk Railway and the City of Toronto under which the C.P.R. secured a considerable block of city land, at a specified rental to be re-arranged every 50 years, and agreed to act with the Grand Trunk in the completion and occupation of a Union Station in that City. The depression of 1893 had a certain effect upon the Company's traffic earnings—particularly in the West. Its China and Japan steamships, its Telegraph, Express and Sleeping-car systems, its Grain Elevators and Lake Steamers, all, however, maintained their profits. The North-Western extension of the Minneapolis, St. Paul and Sault Ste. Marie Railway was completed to the boundary in this year and the Company's branch line from Moose Jaw connected with it and made a short route to Chicago. The Nakusp and Slocan Railway in British Columbia was leased in 1895.

In the following year (1894) the South Eastern Railway, connecting the C.P.R. with the New England States, was re-organized as the Montreal and Atlantic Railway Co. In 1895 an arrange-

ment was made with the Grand Trunk for a lease of running rights and other privileges on its line between Toronto and Hamilton in Ontario and the next year saw the purchase of the Montreal and Western Line running from St. Jerome in Quebec, 70 miles to Labelle, with the acquisition of seven steamboats and other property of a Navigation Company operating on the Arrow and Slocan Lakes in British Columbia. In 1897 arrangements were made with the Dominion Government to construct a Railway from Lethbridge, Alta., through the great coal areas of the Crow's Nest Pass to a connection with the C.P.R. line at Nelson, B.C.—a distance of 340 miles—with a Federal subsidy of $11,000 per mile. The B. C. Southern Railway was also leased at this time (1898) and 3,350,000 acres of land granted to that Company by the Provincial Government were acquired together with 6 square miles of valuable coal lands in the Crow's Nest Pass region.

The Columbia and Western, extending 33 miles from Robson to Rossland, B.C., was also acquired; while a couple of ocean steamships were purchased to ply between Vancouver and Victoria and a contract made for the immediate construction of 11 steamboats for the lakes and rivers of the mineral region of central British Columbia. Large grain elevators were erected (1897) at Fort William and Owen Sound and the Chateau Frontenac property acquired in Quebec for use as an Hotel. In 1899 various branch lines were completed in Manitoba and the work of double-tracking the Line between Toronto and Montreal was commenced. The lease of the Manitoba and North-Western Railway, 253 miles in length, and of the Great North-West Central running 50 miles from Brandon, Man., was approved at the annual meeting. The following tables will summarize the business and progress of the Canadian Pacific during a period so all important to the future of the nation as well as of its great Railway:

Year.	Gross Earnings.	Working Expenses.	Surplus or Surplus Earnings.	Ordinary Stock Dividend. (Per cent.)	Working Expenses per cent. of Gross Earnings.	Net Earnings per cent. of Gross Earnings.	Net Earnings.
1886.....	$10,081,803	$6,378,317	.....	3	....	....	$3,703,486
1887.....	11,606,412	8,102,294	.....	3	69·81	30·19	3,504,118
1888.....	13,195,535	9,324,760	$326,423	3	70·66	29·34	3,870,774
1889.....	15,030,660	9,024,601	1,576,927	4	60·04	39·96	6,006,059
1890.....	16,552,528	10,252,828	2,656,432	5	61·94	38·06	6,299,700
1891.....	20,241,095	12,231,436	4,701,599	5	60·43	39·57	8,009,659
1892.....	21,409,351	12,989,004	6,923,531	5	60·67	39·33	8,420,347
1893.....	20,962,317	13,220,901	7,261,213	5	63·07	36·93	7,741,416
1894.....	18,752,167	12,328,858	2,739,792	2½	65·75	34·25	6,423,309
1895.....	18,941,036	11,460,085	3,985,698	1¼	60·50	39·50	7,480,950
1896.....	20,681,596	12,574,015	3,786,177	2	60·80	39·20	8,107,581
1897.....	24,049,534	13,745,758	5,694,765	4	57·16	42·84	10,303,775
1898.....	26,138,977	15,663,605	6,462,023	4	59·92	40·08	10,475,371
1899.....	29,230,038	16,999,872	9,614,528	5	58·16	41·84	12,230,165

During this period one of the most remarkable developments was the branching out of the C.P.R. into an Imperial and international enterprise. Its ocean boats on Lake Superior were the first of the kind to cater for the traffic of that inland sea; its Pacific

steamship project became part of a policy which would enable the Canadian Pacific to carry freight and passengers across the oceans as well as the land. The Imperial Government subsidy of £60,000 had enabled the Company to construct the Empress Line of Steamships bearing the names of India, China and Japan which, by 1892, were running from Vancouver and Victoria to Japan and China and connecting at Hong Kong with other lines running into the Indian Ocean and reaching the Red Sea, the Mediterranean and Southern Europe. These boats were larger, faster, and superior to other Pacific vessels and won popular favour at once. In 1893 a Line of steamers was also established between Vancouver and Australian ports *via* Honolulu.

From being what a distinguished and not altogether friendly American once called "the Dominion of Canada on wheels" the C.P.R. had thus become an Imperial transportation factor and a highway to the East. In another respect the C.P.R. held a notable position at this time. It was the greatest private or corporate landowner in Canada and one of the greatest in the world. Its 16,758,049 acres of land, valued at the average selling price of 1899, was worth more than $50,000,000 and the Company had already disposed of $20,000,000 worth. The Railway, however, made most of the value of the land by bringing the country before the world and enabling settlers to reach it, and live on it, and send their produce to market. As security for its loans, and as backing for its construction, the lands had also meant much to the Company. Certain details in the expense of working the Railway during the years 1886-99 and as to the character of the business done, may be seen in the following tables:

Earnings. Year.	From Passengers.	From Freight.	Mail, Express, Telegraph, Steamers, Elevators, &c.
1886	$3,170,713	$6,112,379	$798,708
1887	3,453,818	6,924,130	1,228,463
1888	3,800,883	8,017,313	1,377,337
1889	4,520,241	8,852,702	1,657,715
1890	4,774,713	10,106,644	1,671,170
1891	5,459,789	12,665,540	2,115,766
1892	5,556,316	13,330,540	2,522,494
1893	5,656,204	12,673,075	2,633,037
1894	4,840,412	11,445,377	2,466,377
1895	4,683,137	11,877,851	2,380,045
1896	4,820,143	13,187,560	2,673,891
1897	5,796,115	15,257,896	2,995,522
1898	6,538,589	16,231,444	3,368,942
1899	7,098,096	18,738,884	3,393,056

Working Expenses.	1886.	1899.
Conducting Transportation	$1,543,166	$4,256,097
Maintenance of Way and Structures.	1,270,468	3,488,253
Motive Power	2,488,387	5,286,871
Maintenance of Cars	514,128	1,295,282
Sleeping Cars, Telegraph Lines, and Lake Steamers	157,050	992,435
General Expenses	465,114	1,680,932

Freight Carried.	1886.	1899.
Flour	1,000,044 bbls.	4,005,226 bbls.
Grain	10,960,582 bush.	42,763,253 bush.
Live Stock	244,257 head.	810,559 head.
Lumber	327,700,432 feet.	957,702,349 feet.
Firewood	75,625 cords.	202,461 cords.
Manufactured goods	476,698 tons.	1,795,663 tons.
Other articles	498,940 tons.	1,461,144 tons.

Such was the record of the C.P.R. during its constructive period and in that of preliminary expansion and preparation of the basis for its greater growth. During the first period Mr. George Stephen —who retired from the Presidency in August, 1888, and was raised to the Peerage as Lord Mount Stephen in 1891—was the guiding spirit; during the succeeding decade Mr. Van Horne, who became a K.C.M.G. in 1894, was in chief control of policy and management. His principal assistant was Thomas G. Shaughnessy who was Assistant General Manager, then Assistant President and in 1891 became Vice-President. Upon Sir W. C. Van Horne's retirement in 1899 and acceptance of the post of Chairman of the Board of Directors Mr. Shaughnessy—who was Knighted in 1901 and later on was created by the King a K.C.V.O.—naturally became President. Mr. David McNicoll, who had held various positions with the Company and become Assistant General Manager in 1899 was appointed 2nd Vice-President and General Manager in 1900 and Vice-President in 1903. Meantime, Mr. Donald A. Smith, who ranked amongst the chief pioneer promoters of the Railway and had become a Director and Member of the Executive Committee in 1882, remained with that body through all the changes of the years until at the end of writing (1912) as Lord Strathcona and Mount Royal he still maintains an active interest in the affairs of the great enterprise he helped to establish. At the 1900 annual meeting Mr. (afterwards Sir) Edmund B. Osler, M.P., was added to the Executive Committee which was then composed of Lord Strathcona, Sir W. C. Van Horne and Messrs. R. B. Angus and T. G. Shaughnessy. In 1906 Mr. David McNicoll was also placed on this important body.

A new and inevitable period of expansion followed the year 1899. The Railway was so intimately associated with the financial and commercial life of the Dominion and with its incoming or migrating population that it was bound to share in the national ups and downs. The depression of 1893 and succeeding years had affected its returns somewhat—though not in anything like the proportion in which its United States competitors were affected; the national prosperity and development of 1897-1911 found full expression in its own progress. At the annual meeting of Apl. 4, 1900, President Shaughnessy was able to draw attention to the progress of the agricultural and mining interests of the country, to an addition of 150 per cent. to the list of Canadian Shareholders of record in the Company and to the return to 5 per cent. dividends. He also made the following important statement: "You will have observed that the rate per ton per mile received by your Company for the carriage of freight is still further reduced and is lower than that received by any Company in the United States similarly situated. In view of the remoteness from Eastern markets of producers on some sections of your system, it has been the settled policy of your Directors to reduce rates as circumstances

might warrant, in order to encourage the maximum development of every section of the country with the purpose of securing increased revenue from the growth of tonnage rather than by the maintenance of high rates."

In this connection it may be noted that the earnings of the C.P.R. per ton per mile were 1·00 cents in 1887; 1·02 cents in 1888, 0·91 cents in 1889, 0·84 cents in 1890, 0·91 cents in 1891, 0·84 in 1892, 0·87 in 1893 and 1894, 0·80 in 1895, 0·75 in 1896, 0·78 in 1897, 0·76 in 1898, 0·74 in 1899, 0·79 in 1901 (ending June 30), 0·75 in 1902, 0·74 in 1903, 0·77 in 1904, 0·76 in 1905, 0·74 in 1906, 0·77 in 1907, 0·75 in 1908, 0·76 in 1909, 0·77 in 1910 and 0·81 in 1911. At the 1900 meeting approval was expressed of a lease of the Great North-West Central Railway and of the Manitoba and North-Western with its associated line the Saskatchewan and Western. With the M. & N.-W. Railway was acquired a Land Grant of 1,396,800 acres of which 538,969 acres had been disposed of by June 30, 1901. Provision was also made by the issue of Consolidated Debenture Stock for construction of the Wascada, Snowflake, McGregor-Varcoe, Lac du Bonnet, West Selkirk and Lake Winnipeg, and the New Westminster and Vancouver Branches with a total mileage of 150. $3,264,489 was authorized for expenditure on terminals and rolling stock.

In 1901 the annual meeting was held on Oct. 2nd, after the change of fiscal year had taken place from Dec. 31 to June 30. The Board of Directors recommended, and the Shareholders approved, the creation of a Pension Fund to which the Company would contribute $250,000. It was intended to aid faithful officers and employees who might become incapacitated by advanced age. This was duly organized by 1903, after details had been arranged, and a further yearly sum of $80,000 was granted until in 1911 there was $670,487 at credit of the Fund after $134,876 had been paid out in that year. The number on the pay-roll of 60 years of age and over was 99 in 1904 and 492 in 1911. At the 1901 meeting the lease of the Kootenay and Arrowhead Railway, the Vancouver and Lulu Island Line and certain branch lines of the B. C. Southern Railway were approved. A controlling interest was also acquired in the Mineral Range Railroad, an American line subsidiary to the Duluth-South Shore.

The ordinary Capital Stock of the Company was increased in 1902 by $19,500,000 for the purpose of adding to the rolling stock, enlarging the work-shops at Montreal and elsewhere, reducing grades, laying a second track on a portion of the Line, and building additional Elevators. At the annual meeting of this year it was announced that the last of the 5 per cent. Land Grant Bonds had been paid off; leaving only the $15,000,000 of 3½ per cent. bonds which were payable by accumulating Land sales. About this time (June 30, 1901) the Company owned 16,104,403 acres of agricultural land selling at $3.15 per acre and 3,670,000 acres in British

Columbia. The total sales of the Railway lands to this date had been $22,663,120. During 1902 control was acquired of the Ottawa, Northern and Western Railway, the Pontiac Pacific Junction and the Hull Electric Line—including 151 miles of railway and the Interprovincial Bridge across the Ottawa River. An incident of this year was the construction of a tunnel, 894 feet long, on the Crow's Nest Line. Another was the offer from the Company to the Government to establish a 20-knot weekly service between Liverpool and the St. Lawrence for a yearly subsidy of $1,325,000 for 10 years with a graduated reduction during the next ten years.

The following year's Report—annual meeting Oct. 7, 1903—described the acquisition of the Kingston & Pembroke Railway, running 104 miles from Renfrew on the main line to Kingston, for the sum of $848,744 and the lease, also, of the Calgary and Edmonton Railway—after operation for some years. This latter road ran 296 miles from Macleod to Edmonton in Alberta and traversed a country of rapid development and great traffic possibilities. A small line between Burketon, Ont., and Lindsay and Bobcaygeon —40 miles—was also leased and the bonds of the Minneapolis, St. Paul and Sault Ste. Marie were endorsed for $2,454,000 spent on 122 miles of new railway. It may be added here that a good many extensions of this Line into productive territory were made in succeeding years. Guarantees of interest were endorsed on its Bonds by the C.P.R. in 1904 ($3,572,000) for 178 miles of new railway; in 1905 ($3,620,000) for 181 miles of additional road; in 1906 ($5,820,000 for 291 miles of new construction; in 1908 ($1,680,000) for 84 miles of railway; in 1909 ($1,600,000) for 80 miles of road; in 1910 ($2,200,00) for construction of 110 miles; in 1911 ($3,600,000) for 180 miles of additional railway. In 1909 the Minneapolis Line acquired control of the Wisconsin Central Railway under a 99-year lease. It was expected to materially benefit the former Line in which the C.P.R. held dominating interests and in the common and preferred stock of which the Company invested (1909) $5,172,000 of its Surplus earnings. An important development of an Imperial character in 1903 was the purchase from the Elder-Dempster Company of 15 Steamships, constituting that Company's Canada-Atlantic fleet, for £1,417,500.

The year 1904 saw the beginning of a great enterprise in the settlement of a dispute with the Dominion Government as to the selection of Land Grant areas and the acceptance by the Company of the "Irrigation Tract" between Medicine Hat and Calgary, to the extent of 2,900,000 acres, and with the condition that the lands should be conveyed in a solid block instead of alternate sections as was originally contemplated. Construction of the necessary works for irrigation purposes was at once commenced and contracts let for canals starting from the Bow River near Calgary. The first expenditure authorized was $1,000,000. By 1910, $3,462,425 had been expended under the experienced charge of Mr. J. S. Dennis,

and in that year further work was authorized involving an estimated cost of $8,500,000 and a completed scheme of 5,000 miles of waterway. The money was to be provided from the accumulating Land Fund. According to Mr. F. T. Griffin (Land Commissioner) in 1909 this region would realize for its farmers $50,000,000 within a few years. During 1904 control of the Tillsonburg and Port Burwell Line, from Port Burwell on Lake Erie to Ingersoll, was acquired and the construction of branch lines from the Calgary and Edmonton road to Lacombe and Wetaskiwin, respectively, were authorized. A permanent lease of the Northern Colonization Railway, extending 21 miles from a branch line of the C.P.R. to Nominingue, Que., was arranged and also of the Guelph and Goderich Railway, 80 miles under construction, between the places named. The Ordinary Stock was increased by another $16,900,000—from $84,500,000 to $101,000,000. Sir Thomas Shaughnessy's statement at the 1904 meeting (Oct. 5) contained this summary of work:

Since June 30, 1901, 769 miles of railway have been added to your system and 200 miles more are practically completed; the Atlantic and the Pacific Coast Steamship Lines have been acquired and supplemented at a cost of about $8,000,000; your Rolling Stock equipment has been increased by nearly 40 per cent. at a cost of over $12,000,000; extensive and most modern shops and machinery have been provided at Montreal and other points on the system at a cost of nearly $4,000,000; the yards and terminals at Montreal, North Bay, Fort William, Ignace, Winnipeg, Brandon, Broadview, Regina, Moosejaw, and other points of lesser importance have been enlarged and in many cases more than doubled in size; additional grain elevators have been provided at Fort William and Port Arthur; an important amount has been expended for the reduction of gradients and improvement of allignment to enable you to increase the haulage capacity of your locomotives, and miles of new crossing sidings have been built and old ones lengthened so that they may accommodate longer trains.

At this meeting the issue of 4 per cent. consolidated debentures was authorized for the construction of a branch line (235 miles) from Toronto to Sudbury which, after some delay owing to the difficult character of the country, was opened for traffic in June, 1908. Control of the Esquimalt and Nanaimo Railway, running 78 miles from Victoria to Wellington on Vancouver Island, and holding a Land Grant of 1,600,000 acres, was acquired in this year under lease and substantial steps taken to develop the rich resources of this Pacific Island. Through an agreement made at this time with the Spokane International Railway, and connection by a 12-mile branch from the B. C. Southern Line, the C.P.R. obtained access to Spokane—an important centre in the State of Washington. A line under construction by the Nicola, Kamloops and Simalkameen Coal & Railway Co. into the coal-fields of the Nicola Valley, and eventually to Midway, B.C., was leased or, rather, its lease when constructed, was approved by the annual meeting. An arrangement was also endorsed for the purchase of the St. John Bridge and Railway Extension Co. property between

the C.P.R. terminus at Carleton and St. John, N.B.—with, it was estimated, a yearly saving in tolls of $30,000. It was decided to operate by electricity the leased line between Vancouver and Steveston, B.C., and the development of the Company's coal-mine near Banff was reported as satisfactory.

In his Report to the annual meeting of Oct. 4, 1905, Sir Thomas Shaughnessy was able to describe the business conditions of Canada as the most favourable in the history of the Company and the condition of the Main Line of the C.P.R. between Montreal and Vancouver, in physical condition and capacity for traffic, as being " in the front rank of transcontinental Lines." The issue of Debenture Stock was authorized for the construction of the Wolseley-Reston Branch in Saskatchewan (122 miles) and for the cost of the two new twin-screw Steamships, costing $2,000,000 each, for the Atlantic route. These ships were in regular service within a year. In 1906 another issue of Capital Stock was made in the sum of $20,280,000 bringing the total capital stock outstanding up to $121,680,000. An increase in the available total to $150,000,000 was also authorized and in this connection the President reported to a Special General Meeting on Mch. 19 that:

Since 1901 you have expended for additions to your rolling stock equipment $18,500,000 and for additional workshops and machinery on the different sections of the System $6,445,000. Reduction of grades and general improvements of the Line have cost $13,000,000 while the enlargement of terminals at the more important points, increased siding, yard and station accommodation over the greater portion of the system, and other works for facilitating the movement of traffic involved a further outlay of over $10,000,000.

During 1906 it was decided to construct a Line from Peterborough (96 miles) to Victoria Harbour which would reduce the distance between the Georgian Bay and Montreal by 91 miles and a perpetual leasehold (and construction) arrangement was made with a Company which already held the charter. Leases were also arranged of the Joliette and Brandon Line running 13 miles to Lake Maskinonge in Quebec; of the Walkerton and Lucknow running 37 miles from Proton to Walkerton, Ont.; of the Berlin, Waterloo, Wellesley and Lake Huron with affiliated lines constructed or to be constructed. Branch lines were under construction in the West from Moose Jaw, Sask., extending 50 miles out, from Weyburn, Sask., to Stoughton 36 miles, with 50 miles of extension from three Manitoba branch lines. Early in July of this year the Company freed its Western Land Grant of all encumbrances by paying off the $15,000,000 3½ per cent. Bonds held by the Government. Since June 30, 1901, more than enough had been obtained from the sales of land to redeem this liability. At this time the sales of C.P.R. land were made at an average price of $3.15 per acre; in 1902 the price was $3.29; in 1903, $3.67; in 1904, $4.10; in 1905, $4.80; in 1906, $5.84; in 1907, $5.92; in

1908, $9.54; in 1909, $13.52; in 1910, $14.84; in 1911, $14.69. On June 30, 1911, the Land Account of the Company stood as follows with 7,061,184 acres still available in Manitoba, Saskatchewan and Alberta and 4,427,811 acres in British Columbia:

13,156,224 acres and Townsites sold, amounting to	$85,277,178
6,793,014 acres disposed of to the Dominion Government	10,189,521
Proceeds Man. South-Westn. Col. Railway Land Sales	2,984,230
Proceeds Great North-West Central Land Sales	998,273
Proceeds Manitoba and North-Western Land Sales	50,154
Proceeds British Columbia Land Sales	1,345,517
Total received	$100,944,879
Less Expenses, Cultivation rebate, and 10 per cent. on Land Grant Bonds retired and cancelled ($9,077,044); less cost of land purchased from Hudson's Bay Company ($1,396,591); less expenditures on Irrigation ($5,018,953); less amount expended in construction of Railway and Equipment ($36,193,521); or a total of	$51,686,110
Net Receipts from Lands	$49,258,769

As to the future value of the lands remaining in hand Sir Thomas Shaughnessy stated on Oct. 2, 1907, that those in the three Western Provinces would yield, on the average, higher prices than had yet been realized while those in British Columbia would depend mainly upon the utilization of their standing timber and large coal deposits and were, therefore, uncertain. An interesting public incident of 1906 was the Company's action in joining with the citizens of Winnipeg to obtain a suitable and sufficient supply of water for the City. A contribution of $200,000 was granted for this purpose payable in 10 or 20 installments as might best suit Municipal convenience. At the 1907 annual meeting it was decided to construct an extension of the Northern Colonization Railway, 34 miles, to Rapide de l'Orignal in Quebec; to lease the St. Mary's and Western Ontario Line from St. Mary's to Embro; to put two new Steamers on Lake Superior—the *Assiniboia* and *Keewatin*—and another high-class Steamship (*Princess Victoria*) on the Pacific route from Vancouver and Victoria to Seattle; to construct the Moose Jaw line 100 miles further and to build from Regina to Saskatoon. On June 30th of this year 747 miles of railway were under construction though reference continued to be made in the annual statement and speeches to the growing scarcity and high price of labour. At the annual meeting (Oct. 2, 1907) the President reported that there were then 11,203 ordinary Shareholders in the Company with holdings of 50 shares or less and he estimated that there were 3,000 others of the same class included in trust and similar holdings. Sir Thomas added this interesting statement:

> There are now in the service of the Company quite 74,000 officers and employees with a monthly pay-roll of $3,700,000 and of the whole number of employees I am safe in saying that 70,000 are located in Canada. Esti-

mated on the ordinary basis of five persons to a family these would represent 350,000 souls, or more than one-twentieth of the entire population of the Dominion and, if there be added the men in rail and rolling mills, car and locomotive factories, and other industrial establishments, who are engaged in the manufacture of material in large quantities for the purposes of the Company, I should say that one-fifteenth, if not one-twelfth, of the people of the country, directly or indirectly, receive their income from the Company.

At the close of this year and in January, 1908, the remainder of the 150 millions authorized Capital Stock was taken up to the amount of $28,320,000, and the Government was asked to increase the authorized Stock to $200,000,000 which was done in the succeeding year. The contract with the Imperial Government for the carriage of mails between Liverpool and Hong-Kong was also renewed (1908) for another three years but the rate of compensation per annum was reduced by £15,000. Control was acquired of the Alberta Railway and Irrigation Co. which owned 113 miles of road in Southern Alberta, an important Colliery and 425,000 acres of partly-irrigated land, and which for some years had been operated in close connection with the C.P.R. During this fiscal year, ending June 30, $7,500,000 was spent on new construction, $10,400,000 on additional rolling stock, shops, etc., $7,800,000 for double tracks and reduction of grade and $9,500,000 for general improvements. In the six years, 1902-8, there had been an increase in equipment of 659 locomotives, 842 sleeping cars and day coaches, and 25,190 freight cars at an approximate cost of $37,000,000. In 1909 the Orford Mountain Railway, running 58½ miles and connecting with the C.P.R. Line at Eastman, Que., was acquired—completing a total extension of 1,100 miles in the C.P.R. sytem within three years. Speaking at Winnipeg on Oct. 14, 1908, Sir Thomas Shaughnessy stated that since 1901 $125,000,000 had been spent on construction, additions to the System, improvements, double-tracks, Steamships, etc.

In 1910 a perpetual lease of the N. B. Southern Railway running 83 miles from St. John to St. Stephen was arranged and the capital stock of the Dominion Atlantic Railway, extending from Yarmouth to Truro, N.S., with two branches, and a total mileage of 247 acquired. Connection was, by this means, made with Halifax, over the Intercolonial, through a D.A.R. contract for the use of 45 miles of the Government Line. This acquisition gave the C.P.R. its first foothold in Nova Scotia. Debenture Stock was authorized to issue for the construction of the following branch lines in the agricultural districts of the three Western Provinces: Moose Jaw-Outlook, 118 miles; Weyburn-Lethbridge, 50 miles; Teulon Extension, 56 miles; Lauder-Griffin, 33 miles; Craven-Bulyea, 21 miles; Kipp-Aldersyde Branch, 58 miles; Langdon Branch, 40 miles; Regina-Colonsay, 134 miles; Snowflake Branch Extension, 7 miles; and Virden-McAuley Branch, 36 miles.

An Agreement was made in this year with the Kootenay Central Railway Co. for the gradual construction and perpetual lease of 175 miles of railway over the country between Galloway and Golden, B.C. A similar construction arrangement was made with the St. Maurice Valley Railway for carrying the C.P.R. at Three Rivers to Grand Mère so as to reach the great industries developing at Shawinigan Falls. During this year C.P.R. stock reached the highest point in its history and sold on the London Stock Exchange for 202⅜ as compared with 33 at which it stood 15 years before. In 1911 the construction of 379 miles of branch lines in Saskatchewan and Alberta were authorized, the rolling-stock equipment of cars and locomotives was increased (June 30) by the expenditure of $9,000,000 with orders of $7,000,000 outstanding, while $18,000,000 had been expended on terminal yards, buildings, additional shops and machinery, general extensions and improvements. At this point in the record of a great enterprise it will be desirable to bring up the statistical facts from 1899 to 1911. They may be tabulated as follows—it being borne in mind that there was a half-year period in 1900 owing to the change of fiscal year from Dec. 31 to June 30th:

Year, June 30.	Total Assets.*	Cost of Road and Equipment.†	Paid-up Capital Stock.	Mortgage Bond Liability.	4% Consolidated Debenture Stock.	4% Preference Stock.
1901..	$291,518,571	$225,353,616	$65,000,000	$65,059,086	$60,369,082	$31,171,000
1902..	310,504,240	230,072,641	72,624,162	63,668,086	63,532,415	31,171,000
1903..	341,699,276	242,769,210	84,500,000	61,738,086	67,252,252	32,500,000
1904..	358,919,294	256,665,689	84,500,000	58,738,086	82,355,217	33,473,333
1905..	319,784,846‡	208,891,781‡	98,738,074	55,238,086	89,200,549	37,853,333
1906..	345,320,394	225,721,418	105,995,190	41,738,086	101,519,411	42,719,999
1907..	389,339,281	253,711,217	121,680,000	40,238,086	106,045,411	43,936,665
1908..	424,068,631	285,088,099	141,534,436	39,621,966	115,657,077	48,803,332
1909..	459,318,424	302,196,637	150,000,000	39,621,966	128,930,132	52,696,665
1910..	526,250,289	317,226,265	173,530,085	39,621,966	136,711,616	55,616,665
1911..	561,887,215	343,595,230	180,000,000	38,648,633	142,861,462	57,076,665

Year, June 30.	Gross Earnings.	Working Expenses.	Net Earnings.	Work'g Expenses % of Gross Earn'gs.	Net Earnings % of Gross Earn'gs.	Ordin'y Stock Dividend. %	Surplus or Surplus Earnings Account.
1901..	$30,855,203	$18,745,828	$12,109,375	60·75	39·25	5	$11,122,560
1902..	37,503,053	23,417,141	14,085,912	62·44	37·56	5	14,185,634
1903..	43,967,373	28,120,527	15,836,846	63·97	36·03	6	18,846,175
1904..	46,469,132	32,256,027	14,213,105	69·42	30·58	6	17,561,046
1905..	50,481,882	35,006,793	15,475,088	69·35	30·65	6	19,910,998
1906..	61,669,758	38,696,445	22,973,312	62·75	37·25	6	25,741,414
1907..	72,217,527	46,914,218	25,303,308	64·96	35·04	6	30,713,153
1908..	71,384,173	49,591,807	21,792,366	69·47	30·53	6	30,390,202
1909..	76,313,320	53,357,748	22,955,572	69·92	30·08	6	35,164,830
1910..	94,989,490	61,149,534	33,839,955	64·38	35·62	7	42,869,845
1911..	104,167,808	67,467,977	36,699,830	64·77	35·23	7	55,374,493

* NOTE.—Exclusive of Lands worth at least $100,000,000; perhaps $150,000,000.

† NOTE.—In 1907 Sir Thomas Shaughnessy pointed out that Government and Municipal subsidies, in constructed railway lines, money or proceeds of land sales, and amounting to an aggregate of $100,000,000, had never been capitalized nor were they now included in this part of the balance sheet.

‡ NOTE.—For the first time the $25,000,000 Cash Dominion subsidy and $5,752,195 of Provincial and Municipal subsidies, together with $36,193,521 proceeds of land sales expended in construction, were deducted from the cost of the Railway and Equipment.

Earnings. Year.	From Passengers.	From Freight.	Mail, Express, Telegraph, Steamers, Elevators, &c.
June 30.			
1901	8,083,369	18,983,185	3,788,647
1902	9,359,522	24,199,428	3,944,102
1903	11,001,973	28,502,081	4,453,318
1904	12,418,419	29,235,821	4,814,892
1905	13,583,052	31,725,290	5,173,540
1906	16,041,615	39,512,973	6,115,169
1907	19,528,878	45,885,968	6,802,681
1908	19,900,432	44,037,597	7,446,143
1909	20,153,000	48,182,520	7,977,800
1910	24,812,020	60,158,887	10,018,582
1911	28,165,556	65,645,227	10,357,024

Meantime there had been a great increase in the Traffic returns. The total tonnage of Freight carried in the year ending June 30, 1901, was 7,155,813; in 1911 it was 22,536,214. The number of Passengers carried increased in the same years from 4,337,799 with earnings of 1·93 cents per passenger per mile to 12,080,150 with. curiously enough, exactly the same ratio of earnings. Of the Freight carried Flour increased from 3,735,873 to 8,469,744 barrels; Grain from 32,927,468 to 111,169,982 bushels; Live-stock from 945,386 to 1,567,665 head; Lumber from 889,214,646 to 2.441,007,107 feet; Firewood from 204,818 to 298,345 cords; Manufactured articles from 1,954,386 to 5,759,344 tons; Sundry goods from 2,206,970 to 8,971,037 tons. Between 1901 and 1911 the C.P.R. mileage, included in Traffic returns, grew from 7,563 to 10,480; the mileage of other Lines worked was reduced from 732 to 291; the mileage under construction stood 60 and 983 on June 30th of these years respectively; the mileage of the Minneapolis, St. Paul and Sault Ste. Marie grew from 2,358 to 3,769 and of the Duluth, South Shore and Atlantic from 592 to 611—the total of owned and controlled Lines from 13,347 to 16,137 miles.

Taking the creation of the original Transcontinental Railway at 2,900 miles this would mean the construction, acquisition or control of five Transcontinental lines by one Company in a space of 30 years. It may be added here in the matter of equipment that the number of locomotives owned in 1901 was 708 and in 1911, 1,637; the 1st and 2nd Class Passenger cars had increased from 662 to 1,689; the sleeping and dining cars had grown from 115 to 318; the Freight and Cattle cars numbered respectively 20,083 and 52,602. Meanwhile splendid steamship services had been established and maintained on the Great Lakes; a flotilla of steamboats placed on the inland lakes and rivers of British Columbia and on the Pacific Coast; ocean steamers of the highest and speediest type put on the Pacific to Australia, China and Japan and an ocean Line established on the Atlantic between Liverpool and Canada. The Pacific coast and river and lake steamers increased from 14 to 42, the Ocean steamships from 5 to 20.

A word must be said as to certain elements of strength in the C.P.R. which help to keep it the greatest railway system in the world in more ways than length of mileage. The fixed charges have risen very slowly despite the enormous expenses involved. In 1886 they were $3,492,600; in 1891 $4,664,493; in 1896 $6,783,367; in 1901 $7,305,835; in 1906 $8,350,544; in 1911 $10,011,071. A recently published comparison (1910) with United States lines placed the C.P.R. fixed charges at $954 per mile, the Great Northern at $1,123, the Northern Pacific at $2,279 and the Union Pacific at $2,795. Another unique feature in this Railway system is the ownership and control of a transcontinental line of magnificent Hotels—the Algonquin at St. Andrews, N.B., the Chateau Frontenac at Quebec, the Place Viger at Montreal, the Royal Alexandra at Winnipeg, the Banff Springs Hotel and several others in the heart of the Rockies, the Hotel Vancouver on the Pacific Coast, and the Empress at Victoria, B.C. Another source of revenue is the ownership of the Sleeping cars and of practically everything which can help to feed, supply, or facilitate transportation, across the Continent. In 1912 the Company created a Department of Natural Resources to control the administration of its remaining Western lands, its townsites, coal lands and coal rights, its mines at Hosmer, Lethbridge and Bankhead, its timber properties and operations in British Columbia, its great irrigation works in Alberta. Mr. J. S. Dennis was put in charge with the designation of Assistant to the President.

During these 30 years of development the C.P.R. had seen many changes in *personnel* though they seem to have been reduced to a minimum amongst the men at the top. Lord Mount Stephen retired from the Board in 1893, Lord Strathcona remained steadily on the Board and Executive, Sir W. C. Van Horne retired from the Chairmanship of the Board in 1910, Sir T. G. Shaughnessy is Chairman of the Board and President of the Company in 1912. Of the original Directors only Lord Strathcona and Mr. Angus remain. Others appointed in after years and who have passed away include Sir John Abbott, Sir George Kirkpatrick, Sir George A. Drummond, Sir R. G. Reid, Hon. Donald MacInnes and Hon. L. J. Forget. There were no representatives of United States interests on the Board in 1911 but in earlier years J. J. Hill, Levi P. Morton, J. W. Mackay, Clarence H. Mackay, R. J. Cross, George R. Harris, R. V. Martinsen and W. L. Scott held places.

Of those in charge of the management or control of Divisions and Departments of the Company Charles Drinkwater remained its Secretary from 1881 till his death in 1908; W. Sutherland Taylor was Treasurer and I. G. Ogden Comptroller for many years; Sir William Whyte, who was General Superintendent of the Eastern and Ontario Division in 1885, was a Vice-President in 1911; George M. Clark, K.C., was Chief Solicitor until 1901 when he was succeeded by A. R. Creelman, K.C., as General Coun-

sel; Sir Thomas Tait held various positions until 1903 when he took charge of the Government Railways in Victoria, Australia; R. Kerr, C. R. Hosmer, George Olds, Harry Beatty, L. A. Hamilton, F. T. Griffin, James Kent, C. W. Spencer, H. Abbott were some of the older names in the service. The Board of Directors on June 30, 1911, was composed as follows: Lord Strathcona and Mount Royal, R. B. Angus, Sir T. G. Shaughnessy, Sir W. C. Van Horne, Sir Sandford Fleming, David McNicoll, James Dunsmuir, H. S. Holt, A. R. Creelman, K.C., Senator R. MacKay, W. D. Matthews, Sir E. B. Osler, Robert Meighen, C. R. Hosmer, Sir Thomas Skinner. The President and Chairman of the Company was Sir Thomas G. Shaughnessy, the four Vice-Presidents were D. McNicoll, Sir W. Whyte, I. G. Ogden and G. M. Bosworth. W. R. Baker, C.V.O., was Secretary and Assistant to the President.

HISTORICAL SKETCH OF

THE UNION LIFE ASSURANCE COMPANY

Life Insurance, in the evolution of the centuries, has assumed many phases and been productive of good in wide and varied forms. It was originally based upon benevolence and appealed to all who desired to ensure the well-being of their families under a system which made continued and accumulating yearly savings comparatively easy. In these later days of business intensity it has become a matter of practical investment, of keen commercial rivalry amongst Companies and forms of Insurance, of organized financial action in which vast amounts of money are involved and handled. Of all its many developments, ancient and modern, none are more historically interesting, however, than the Industrial form of which the Union Life Assurance Company has become the largest Canadian representative. It has arisen out of the inherent desire of the poorest person in Anglo-Saxon countries to be properly buried, or to have those dependent upon him laid suitably away after their lives are ended. In this respect it differs, primarily, from straight Life Insurance which looks after the welfare of the survivors, or that form of Endowment Insurance which has become a business investment for the future of the person insuring. Of course these elements of insurance frequently enter also into the Industrial branch but, in the main, it affords the poor man, the ordinary wage-earner, or workman, of Great Britain, the United States and Canada, an opportunity to save enough money by the regular payment of a few cents a week to ensure a hundred dollars or so upon the death of any insured member of his family circle.

The plan originated in the badly-managed Burial Clubs organized in many British cities prior to 1849; it extended to the Friendly Societies which at first suffered from grossly inadequate dues and did not ensure the results aimed at; it found earliest formal expression in the organization of the Industrial and General Life Assurance Co. in England in 1849 and its offshoot, the British Industrial Company—amalgamated with the Prudential Assurance Company—which was organized in 1848. The latter, in time, developed an enormous business with, in 1905, Premiums of £6,139,000 and an Assurance Fund of £23,974,000. The general British development of this business has since been equally conspicuous and the following figures—large as they are—do not

include the great collecting Friendly Societies which, after earlier years of difficulty, had won success and become Industrial Companies in all but name:

Year.	No. of Policies.	Amount of Insurance.	Assets.	Premium. Income.	Claims.
1887.....	9,145,844	£83,434,487	£5,566,131	£3,746,241	£1,461,832
1897.....	15,860,654	152,075,807	16,511,278	7,151,109	2,751,230
1907.....	25,544,045	251,556,107	35,285,465	11,619,303	4,409,033
1908.....	27,813,839	278,446,659	37,783,759	13,097,109	5,177,337

Following 1868 various attempts were made to start the business in the United States and, in 1875, the first policy was issued by a concern now known as the Prudential Insurance Company of America. Other Companies were started and, in 1880, four of them had $20,000,000 worth business on their books. It was in the two following decades, however, that the marvellous extension of this form of Insurance in the United States took place and it is a noteworthy fact, stated by Mr. H. Pollman Evans of Toronto in an elaborate pamphlet published in 1908, that "not one regular Company transacting Industrial insurance on a level premium basis has failed in an experience of sixty years." According to the latest figures available there are in force (1906) in Great Britain and Ireland, Germany, Belgium, France, Australia, the United States and Canada, 55 million Industrial policies with an Insurance of 4,500 million dollars and a yearly income of 230 million dollars—the greater part of this latter sum being so much money saved from unprofitable or unproductive expenditure. The 1911 figures would, of course, be much greater. In the United States, during five-year periods, the progress of this form of Insurance has been as follows:

Year.	No. of Companies.	Insurance.	No. of Policies.	Amount in Force.	Premiums Received.*	Claims Paid.*
1876.....	1	$727,168	4,816	$443,072	$14,495	$1,958
1880.....	3	34,768,035	228,357	19,590,780	1,155,360	430,631
1885.....	3	93,736,727	1,360,376	144,101,632	5,530,622	1,919,533
1890.....	9	242,250,959	3,875,102	428,037,245	17,647,036	6,423,341
1895.....	11	380,832,362	6,943,769	819,521,573	37,008,536	12,398,782
1900.....	18	566,037,936	11,215,531	1,468,474,534	65,962,426	19,607,808
1905.....	19	660,693,894	16,872,583	2,309,754,235	119,881,122	32,398,936
1910.....	19	741,033,066	23,000,340	3,172,606,281	181,036,805	47,634,445

Industrial Insurance was tried in Canada upon several occasions before it proved really successful. The Confederation Life Association experimented with it in 1871 and 1872; the North American Life Assurance Co. tried it in 1881-4; the Metropolitan Life of New York commenced issuing policies for Canada in 1885 but did not press the business vigorously until 1894. In 1887 the London Life Assurance Company entered the field and has since made good progress; in 1891 La Canadienne Life Insurance Co. of Montreal commenced operations in the Province of Quebec

* NOTE. Premiums received and claims paid include the Ordinary Branch of those Companies transacting Ordinary as well as Industrial Assurance.

and, when bought out by the Metropolitan Life of New York in 1901, had $4,000,000 of Industrial business. The Union Life of Canada was established in 1902. Strong arguments were presented by its promoters—which have since been largely proven correct—claiming that there was a wide field in Canada for energetic and organized work along Industrial lines. If, in the United States, where social and economic conditions were in many respects similar to Canadian problems, there were in 1890 Industrial policies in force amongst 14·4 per cent. of the urban population and in 1901 amongst 30·6 per cent., while in Canada the ratio in those years was, respectively, only 1·64 and 9·88, surely there was room for a large Canadian expansion of the business. By 1906, it may be added, the proportion of Industrial policies in the United States to the urban population had grown to 41·3 per cent. and in Canada to 15·16 per cent.; showing a very great margin still remaining in the latter country. It was estimated in 1906 that to equal the United States average of urban policies Canada could issue 635,128 more than were in existence—there was a total number then in force of 368,463 as compared with 199,927 in 1901, 71,472 in 1896, 25,305 in 1891, 6,042 in 1886 and 1,301 in 1881. In 5-year periods the progress of Industrial business in Canada has been as follows:

	Canadian.		Foreign.		All Companies.	
Year.	Amount Issued.	Insurance in Force.	Amount Issued.	Insurance in Force.	Amount Issued.	Insurance in Force.
1881....	$424,837	$181,212	.....	.....	$424,837	$181,212
1886....	.....	33,282	$1,233,711	$650,767	1,233,711	684,049
1891....	671,672	1,192,663	762,915	1,431,632	1,434,587	2,624,295
1896....	953,422	2,655,186	5,133,912	4,765,292	6,087,334	7,420,478
1901....	877,343	3,673,760	15,170,907	18,877,937	16,048,250	22,551,697
1906....	8,627,869	13,092,154	11,229,109	30,355,748	19,856,978	43,447,902
1910....	13,874,940	23,476,874	28,897,444	57,587,179	42,722,384	81,064,033

It will be noted that in 1902 the Canadian Company returns—there had really been only one in active operation—began to advance rapidly. This was due to the formation of the Union Life Assurance Company in that year through the exertions of H. Pollman Evans, a student of social and economic problems, who had been watching closely the United States development of the business. Incorporation was granted on May 15th, 1902, and business commenced on July 16 following as a purely Stock Company with no particpating profits for policyholders and with premium rates calculated accordingly. Mr. Pollman Evans had operated in his organizing work through the National Agency Co., Ltd., which he formed in 1901 for the purpose of acting as Managing Agent of any Insurance Company registered in Ontario. This concern had an authorized capital of $750,000, a subscribed and paid-up capital of $475,000 and it had issued $1,000,000 Debentures. In 1902 it took hold of the Industrial Insurance idea and the result was the organization, as stated, of the Union Life Assurance Company in which the National Agency

took $982,000 of the authorized and subscribed capital and paid up $100,000 at a Premium of $700,000. The Board of Directors and officials were the same as in the National Agency and were as follows: H. Pollman Evans, President; H. Symons, K.C., 1st Vice-President; Charles Percy of Montreal, 2nd Vice-President; F. G. Hughes, Galt, 3rd Vice-President; Dr. G. E. Millichamp of Toronto, Medical Director; Lieut.-Colonel G. E. A. Jones, and A. E. Vallerand of Quebec. There was also an Advisory Board for the Maritime Provinces composed of well-known local men—J. F. Stairs, J. J. Stewart, Alfred Putnam, E. G. Smith, J. E. de Wolf, and Dr. M. A. Curry of Halifax, and Harvey Graham of New Glasgow. The first annual meeting was held in Toronto on Apl. 13, 1903, and the Report for the year showed a total new Insurance effected of $2,031,493 and a net amount in force on Dec. 31, 1902, of $1,522,389—which was claimed to be larger than that of any other Canadian Company, but one, in its first year. The number of policies issued was 13,790 or 460 for every business day in the year and the total income, including premiums, interest, etc., was $184,769 with a Surplus to Policyholders of $105,469. The business and growth of the Company in the next nine years can be seen by a glance at the following table:

Year.	Total Assets.	Added to Reserve Fund.	Reserve Fund.	Net Premiums.	Insurance in Force.
1902.....	$118,475	$11,171	$11,171	$13,129	$1,522,389
1903.....	126,018	11,679	22,850	68,276	3,904,979
1904.....	164,843	30,225	53,075	123,256	5,087,778
1905.....	234,728	55,352	108,970	167,241	7,161,726
1906.....	417,296	141,533	250,440	238,117	9,576,327
1907.....	550,631	107,920	358,360	301,182	11,234,956
1908.....	662,742	123,739	482,099	356,001	13,295,478
1909.....	827,113	126,324	608,423	439,583	15,367,426
1910.....	1,339,661	203,844	812,267	530,417	18,134,801
1911.....	1,452,193	224,419	1,036,687	631,485	25,116,958

Reasons for the Company's progress were pointed out from time to time. The Annual Report of 1904 referred, particularly, to the loyalty and spirit of the field corps and claimed that "it has been possible to secure our business at a lower cost than any other Canadian Company reporting to the Dominion Government." Eighteen Companies were quoted in a table of management expenses per $1,000 of new business issued, and running from $69.46 for one Company down to $35.08, with the Union Life standing at $29.39. In the 1905 Report it was stated that "the Company continues to conduct only a non-participating business being, it is believed, the only Canadian Company transacting Insurance exclusively on a pure stock premium basis. The policyholders are not charged for profits and none are promised or expected to be paid." Of the Insurance in force at this time 88 per cent. was on the Industrial plan and the total in 1905 was 40 per cent. greater than in the preceding year.

It was claimed, and evidence was so given before the Royal Insurance Commission of 1906, that the Union Life's savings-

bank policy was the best industrial policy in the world. During this year it was stated at the annual meeting that the new Canadian business of the Company exceeded that of any other Canadian Company by $1,000,000 while the premium income had increased by 42 per cent. over 1905. In June, 1906, the small but satisfactory business of the Toronto Life Insurance Co. was acquired on a basis of re-insuring $861,000 of its Insurance. The 1907 returns showed a further increase of a million dollars and the Policyholders surplus was $101,504 after providing a full re-insurance Reserve on the Hm. Table of Mortality with 3½ per cent. interest—the standard rate required by the Government. In this year the Company had 84,000 people insured in Canada or, it was claimed, more than were insured by any other Canadian Company in Canada.

The succeeding year showed a decrease of 5 per cent. in the ratio of Expenses to Income. In preceding years they had stood as follows: 1902, $73,709 of Expenses to $184,769 of Receipts; 1903, $165,792 to $172,713; 1904, $206,174 to $242,189; 1905, $246,409 to $314,696; 1906, $295,241 to $445,986; 1907, $332,-350 to $376,689. In 1908 the figures were, respectively, $350,966 and $450,531. The difference between Receipts and Expenditures each year was placed in what was called Net Ledger Assets totalling, in 1908, $522,012. This point of the ratio of expenses to receipts in Industrial Insurance has always been much discussed. In it were involved the vital issues which differentiate this from other lines of Insurance and which are (1) that the Premium is small and each individual policy small; (2) that the Premium must be paid weekly; (3) that the premium must be collected by the Company from the homes of the Policyholders—thus involving an immense staff of collectors, much book-keeping and unavoidable expense in a country where all wages are high. A modifying influence in this connection was the provision that all members of a family may be and should be insured. As to amounts collected the experience of the Union Life has been that the average for each individual is 10 cents a week—25 cents being about the highest. For a family of five children the cost would run from 40 to 60 cents a week and the average individual policy, all round, has been $140 as compared with $120 in United States Industrial concerns.

In 1909 there was a further reduction in ratio of Expenses to Receipts by 4 per cent. and in 1910 by 3 per cent. The Expenses in 1909 were $421,850 and the Income $637,056; in 1910 they were, respectively, $653,520 and $677,008; in 1911, $745,209 and $844,227. In this latter year the Net Ledger Assets had grown to $1,388,242. The number of people insured were 100,000 in 1909, 120,000 in 1910 and 150,000 in 1911. By this time the increasing Field Force and Office Staff—upon practically a salary

basis—numbered over 800; the new Insurance of the year had leaped to $20,341,550 and the net gain of Insurance in force was 34 per cent. of the amount written and 152 per cent. over the increase of 1910—the total in force being $22,092,807 in the Industrial branch and $3,024,151 in the Ordinary branch. The number of policies in force was 156,033. Meanwhile, during the last year or two, important changes in the Capital Stock had taken place. By special Act of Parliament in 1910 the authorized total was increased from $1,000,000 to $2,000,000 and, of the increase, $528,000 was at once subscribed and paid up. A further increase in the paid-up Capital occurred in 1911 to a total of $722,000. Between 1902 and 1911, inclusive, there was received as premium on Capital Stock the sum of $845,000.

Such is a brief summary of some of the conditions associated with the growth of Industrial Insurance and the connection with it in Canada of the Union Life. A few of the difficulties met in this campaign toward success—common to other countries as well as Canada—may be referred to in conclusion. The method of weekly collection and payment of premiums, it is claimed, has proved the only means of successfully reaching the working classes and, at the same time, of providing them with safe insurance. The heavy expense in collecting, accounting and supervision has been an obstacle but the diminution in the margin for profit on the part of the Companies was met by the immense volume of business done and the Union Life's own experience of a ten-year increase from one to 25 millions of Insurance is sufficient evidence of this condition so far as Canada is concerned. As Canadian population grows and industries develop the possibilities of this expansion will be greater and the ratio of expense smaller. There are two other reasons for this weekly call being indispensable. One is the fact of the workman being accustomed to receive his wages and make his payments weekly; the other is that it seems essential in order to preserve continuity and persistence in the policies. Both in Great Britain and the United States most elaborate efforts have been made to find some other means of reaching the same end but nothing except the weekly collection system appears to have ever succeeded.

The problem of Lapses is important in all lines of Insurance —notably so in the Industrial field. The amounts there involved are small, non-employment frequent, and temporary inability to meet premiums often recurrent. The returns of Industrial lapses in the United States and Canada do not, however, indicate the situation quite accurately. As soon as the premium is four weeks overdue the policy lapses and any payment tendered the agent after that is only received on account of a revival of the policy. It is, of course, in the interest of the Companies to prevent these Lapses which, according to evidence given before the New York Armstrong Committee in 1905 result in a distinct average loss on each

policy—the Union Life putting its deficiency before the Canadian Royal Commission of 1906 at $3.44 for each lapsed policy. Industrial Insurance, however, is not alone in this matter of Lapses. In Canada during 1910 the lapsed policies in ordinary Life Insurance totalled $59,000,000; in the United States the amount went as high as $714,000,000 or 40 per-cent. of the whole new business secured during the year. A higher grade of business, more careful education of the insured in the value of the policies —small though they may be—and better supervision of better agents would seem the obvious remedy.

Family insurance has produced another problem which was at one time largely discussed. The principle is essential to the success of the scheme and associated with it is the adjustment of rates so as to find a unit of premium common to all ages. The older members of a workman's family, for instance, need Insurance as much as, or more than the younger. Yet the risk is greater. Hence the loss in one direction from a uniform low rate on a poor insurance risk is met by the gain in another direction, and in perhaps the same family, on a very superior risk. The insurance of children is a part of the Industrial plan which is attacked and, in order to prevent abuse, a level of age has been established for infants which, in Ontario, is two years with a minimum policy of $32.00. As the child grows the possible policy to be taken is graded up to $260 at the age of 11. These amounts do not seem sufficient to afford provocation for crime and it is authoritatively stated that in the sixty years during which Industrial Insurance has been before the public no case of infanticide for the purpose of getting the insurance has ever been proved.

It may be added that the general plan of Industrial Assurance appears to be increasingly popular in Canada; that the total of this business in force in the Dominion increased from 66 millions to 81 millions between 1909 and 1910; that the Union Life obtained a good proportion of this increase and started in 1912 with the announced intention of enlarging its own total from 25 to 30 millions. The Directors and officials of the Company have not changed greatly in its ten years of history. Mr. Pollman Evans is President and Dr. G. E. Millichamp, Vice-President, in 1912 as they had been, respectively, in 1902; Mr. Harry Symons, K.C., united the offices of Secretary and General Counsel from 1905 to 1909; in the latter year C. P. Muckle became Secretary as well as Actuary—a post he had held since 1902; Charles J. Harvey, F.I.A., of New York was Consulting Actuary throughout the decade. The Directors elected in 1912 were the President and Vice-President, H. Symons, K.C., Lieut.-Colonel G. E. A. Jones, F. G. Hughes, C. J. Harvey, W. H. Carrie and E. G. Smith. The Maritime Provinces Advisory Board was E. G. Smith, Dr. M. A. Curry, J. E. de Wolf, and E. Donahoe of Halifax, Nathaniel Curry of Amherst and Professor J. F. Tufts of Wolfville.

HISTORICAL SKETCH OF THE

ONTARIO DEPARTMENT OF AGRICULTURE

Like most important public institutions it required time and experience, and the public-spirited effort of many able men, to evolve the conditions out of which came the Ontario Department of Agriculture and from which it has grown until a more than Provincial, or even national reputation, has been acquired for its scientific and carefully organized work in the interests of the farmers. Agriculture was, of course, the primary industry of Ontario, it was the occupation of the pioneers, it made comfortable fortunes for multitudes of their successors from the days in 1842 when there were 487,053 people and 6,212,726 acres of occupied land until 1910 when the rural population was 1,050,000 and the farm lands, property, implements and live-stock of the Province were valued at $1,283,410,384.

There was a measure of encouragement given to agriculture by the early Provincial Governments though before and after the Union with Quebec, or Lower Canada, in 1841 until 1852, there was no Minister of Agriculture definitely in charge of affairs. In the latter year, however, such an office was constituted (16 Vict., chap. 11) and placed under the administration of the President of the Executive Council. Those who held this combined position up to 1862 were as follows: Hon. Malcolm Cameron, 1851-3; Hon. John Rolph, 1853-4; Sir A. N. MacNab, 1854-6; Hon. P. M. Van Koughnet, 1856-8; Hon. J. E. Thibaudeau and Hon. Sidney Smith, 1858; Hon. John Ross, 1858-62. Under these conditions, of course, organized action was difficult; the work was divided between the divergent methods and interests and productions of the two Provinces; the time of the Minister was necessarily taken up with conflicting political conditions which were still in the making and a development which was crude in agricultural matters as in other respects. In 1862 the Department of Agriculture was constituted a separate one with Sir N. F. Belleau in charge for a couple of months; the Hon. F. Evanturel until May, 1863; M. Letellier de St. Just until March, 1864; Hon. T. D'Arcy McGee until Confederation (1867). After that date, under the new Provincial system, various re-adjustments took place and an effort was made to bring the agricultural interests into more direct touch with the administration of affairs.

Meanwhile, another and semi-official agency had since 1846 been active in furthering the interests of the farmer. In 1825

there had been an Agricultural Society formed for the present Counties of York, Peel, Ontario and Simcoe and others were organized in succeeding years. In 1830 the Upper Canada Government had passed an Act granting £100 to any Society which of itself raised £50 annually and did effective work in "importing valuable live-stock, grain, grass-seed, useful implements or whatever else might conduce to the improvement of Agriculture in this Province." This legislation was re-enacted in 1835 and, in 1837, the grant was arranged so that up to £200 it should be double the amount locally raised. Following the Union with Lower Canada in 1841 a monthly agricultural journal was established by W. G. Edmundson called the *British-American Cultivator* and in it was urged the formation of a Provincial Agricultural Association. In 1843 delegates met in Toronto to consider the matter and on Aug. 16th organization took place at Hamilton with stated objects as follows: Improvement of farm stock and produce, the improvement of tillage and agricultural methods, the encouragement of domestic manufactures of useful inventions, and support to every branch of rural and domestic economy.

It was incorporated in 1847 as the Agricultural Association of Upper Canada. The first President was E. W. Thomson and the Secretary, W. G. Edmundson. The chief function in earlier years was the holding of Exhibitions of agricultural products. The first was held in Toronto, with a banquet and address by the Hon. Adam Fergusson; the 2nd was at Hamilton in 1847 with Mr. Thomson re-elected President and the opening ceremonies by H.E., Lord Elgin; the 3rd was at Cobourg with Hon. A. Fergusson as President; the 4th was held at Kingston in 1849 with Henry Ruttan as President; the 5th was at Niagara Falls in 1850 with John Wettenhall, M.L.A., as President. To this work the Government in 1849 granted £350 and in 1850 £600. In the latter year it was decided to further assist by the creation of an official Board of Agriculture for Upper Canada (Act. 13-14 Vic. chap. 73) for the purpose of collecting and disseminating "statistical and other useful information concerning the agricultural and other resources of the Province." A plan was to be prepared by this body for the establishment of an Experimental Farm in connection with the University of Toronto and the Inspector-General of the Province was to be an *ex-officio* member. E. W. Thomson was the first Chairman of the Board. In 1852 the Department of Agriculture was created, with Ministers in charge as already noted, and with the object of supervising this Board which, in turn, had to co-operate with the Agricultural Association.

During succeeding years the system seems to have worked pretty well up to Confederation with, however, a minimum of actual Government control. The total amounts offered in prizes from voluntary and official sources rose from $1,600 in 1846 to

$6,106 in 1850, to $15,015 in 1860 and $12,731 in 1867. The Government grant for the Exhibition in 1850 was £1,000 and in 1854 £7,200 was given to the various County Societies; while in that year and 1855 progress was made in the buildings and improvements on the Experimental Farm near Toronto. In 1857 the Board of Agriculture and its subsidiary Societies brought into the Province $89,118 of improved seeds, $168,729 worth of higher-bred horses, $51,627 worth of cattle, etc. During this year, also, the Association became the Agricultural and Arts Association through the assimilation of the Board of Arts and Manufactures and a site was granted of 20 acres in Toronto for the holding of Agricultural Exhibitions—the corner stone of a $25,000 building being laid by Hon. P. M. Van Koughnet on July 15, 1858. In 1859 the Board of Agriculture set apart $2,000 to encourage flax culture in Canada. In 1860 the Government handed over $10,000, of the moneys granted to entertain the Prince of Wales, to the Agricultural Association for the purpose of improving the Exhibition in Hamilton during that year which His Royal Highness was to open. The Fair was really a splendid one with 7,500 entries and $15,000 in prizes.

Under the auspices of the Board in 1862 a Veterinary School was established in Toronto with Andrew Smith in charge—afterwards well known and prosperous as the Ontario Veterinary College. The Association in this year, and again in 1867, urged the popularizing of the Board of Agriculture by including a large elective and wider membership; in 1868 the Canadian Shorthorn Herd-Book was issued under the auspices of the Board following upon the earlier opening (in 1854) of a series of stock registers for thoroughbred animals; since 1858 the latter body had also controlled the Canadian *Agriculturist* under the editorship of Hon. Wm. McDougall but in 1864 it accepted a new publication of Hon. George Brown, *The Canada Farmer,* as its official organ and the former was discontinued. During these years and up to 1869 the Presidents of the Board were Colonel E. W. Thomson (1851-65) and Hon. Thomas Christie, 1866-8. The Presidents of the Association and the location of the Exhibitions were as follows:

Year.	President of Agricultural Association.	Place of Exhibition.
1851.	J. B. Marks	Brockville.
1852.	T. C. Street	Toronto.
1853.	William Matthie	Hamilton.
1854.	C. P. Treadwell	London.
1855.	David Christie	Cobourg.
1856.	Baron de Longueuil	Kingston.
1857.	George Alexander	Brantford.
1858.	D. B. Stevenson	Toronto.
1859.	William Ferguson	Kingston.
1860.	John Wade	Hamilton.
1861.	John Barwick	London.
1862.	F. W. Stone	Toronto.
1863.	Hon. A. A. Burnham	Kingston.
1864.	James Johnson	Hamilton.
1865.	J. C. Rykert	London.
1866.	N. J. McGillivray	Toronto.
1867.	J. P. Wheeler	Kingston.
1868.	Thomas Stock	Hamilton.

Following Confederation in 1867 a new Provincial Statute changed the whole system of agricultural aid. The work of the Board of Agriculture was limited almost entirely to management of the peripatetic Agricultural Exhibitions and became known as

the Council of the Agricultural and Arts Association; a Bureau of Agriculture for Ontario was created and attached to the Department of Public Works of which the head was to be known as the Commissioner of Agriculture and Public Works. The President of the Board of Agriculture was, also, the President of the Agriculture and Arts Association. Practically the two bodies became one and up to 1881 did little except promote the Provincial Fairs. These Exhibitions were held at London in 1869, 1873, 1877, and 1881; at Toronto in 1870, 1874, 1878; at Kingston in 1871 and at Hamilton in 1872, 1876, and 1880. The Presidents of the Council and the Association were as follows: 1869, Edwin Mallory; 1870, Hon. D. Christie; 1871, Hon. James Skead; 1872, Stephen White; 1873, Andrew Wilson; 1874, Robert Gibbons; 1875, Archibald McNab, M.P.; 1876, Ira Morgan; 1877, L. E. Shipley; 1878, Thomas Stock; 1879, Samuel Wilmot; 1880, J. C. Rykert; 1881, J. B. Aylesworth.

The story of this organization in the years following 1881 is largely a record of the work of Henry Wade, who was then appointed Secretary. His aim was to create under the auspices of the Association an improved, efficient and uniform system of registration of all pure-bred animals in the Province. The judging of farms for prizes, the collection and publication of useful essays on agricultural subjects, the holding of popular examinations in agriculture, etc., were other lines which he developed; besides the conduct of the Provincial Exhibitions which continued until 1889 when each centre—London, Ottawa, Toronto, etc., was left to manage its own yearly Exhibition. In 1882 a new Agricultural Act was passed, the membership of the Council decreased and the Commissioner of Agriculture left as the only *ex-officio* member. The annual grant from the Government was continued under certain restrictions and, in view of Toronto's establishment in 1879 of a separate Industrial Exhibition, it was decided that the Association need not hold a Provincial one every year unless specially desired.

In 1882 the Provincial Fair was held at Kingston with Charles Drury as President; in 1883 at Guelph with D. P. McKinnon as President and the first of many Fat Stock Shows was also held at Toronto; in 1884 at Ottawa with Joshua Legge as President; in 1885 at London with George Moore as President; in 1886 at Guelph with Harry Parker as President; in 1887 at Ottawa with J. C. Snell as President; in 1888 at Kingston with Ira Morgan as President; and in 1889 at London with J. C. Rykert as President. During these later years the total amount offered in Prizes had ranged from an average of $17,000 in 1872-82 to $20,290 in 1884 and down to $14,703 in 1889. In this latter year the Provincial grant was not renewed and the 44th Provincial Exhibition was the last—being replaced in succeeding years by the Western at London, the Eastern at Ottawa and the

Industrial at Toronto. On Jan. 1st, 1896, the Agricultural and Arts Association was dissolved by legislation of the preceding year—the last Presidents of this useful organization being Albin Rawlings in 1890, Robert Vance in 1891, Nicholas Awrey, M.L.A., in 1892, James Rowand in 1893, William Dawson in 1894, A. Rawlings in 1895 and Jonathan Sissons who was elected for 1895-6.

Meanwhile, the Hon. John Carling had been appointed Commissioner of Agriculture and Public Works (July 16, 1867) of the new Province and there commenced a period of more organized Government action in connection with Agriculture; but it was not until 1888 and succeeding years that the really remarkable development of Government aid and effective guidance took place. Under Mr. Carling's administration financial aid was continued to the Agricultural and Arts Association, a grant given the Fruit Growers Association for the publication of an annual Report, and an Act passed for the prevention of fraud in the butter and cheese industry. The administration of local agricultural societies was taken over and an annual grant given to Districts for the holding of yearly Exhibitions or Shows. In 1871 the first grant was given to the Entomological Association. The Hon. Archibald McKellar took over the double Commissionership on Dec. 19th, 1871, and when he became Provincial Secretary on Apl. 4, 1874, carried the Department of Agriculture with him. Under his Administration the various grants to voluntary organizations were continued with, in 1874, the Dairymen's Association added.

This year was notable as that in which the Ontario Agricultural College was opened. The first step in the establishment of what has since become so important an institution was taken by Mr. (afterwards Sir John) Carling. He in 1869 had sent Rev. W. F. Clarke, Editor of the *Ontario Farmer,* to collect information with reference to agricultural colleges in the United States, and to recommend a plan for one in Ontario. The report was submitted in June, 1870, recommending a school for agriculture and a school for mechanic arts. Immediate action followed and after some changes of plan the present site of 550 acres at Guelph was purchased. On the 1st of May, 1874, the School opened with 24 pupils and Wm. Johnston, B.A., as President. In 1879 James Mills, LL.D., became the efficient and progressive head of the College and in 1904 was succeeded by George C. Creelman, LL.D., B.S.A. For a number of years after 1885 there was an Advisory Council to assist the President in the management of the College but after 1900 the President became directly responsible to the Minister.

Buildings have been added from time to time including the President's residence and administration offices, Men's residence accommodating 218 students, Massey Hall and Library, Biology

and Physics building, Judging pavilion, Machinery Hall, Macdonald Hall and Macdonald Institute. Altogether there is a present investment of one million dollars of which $175,000 is due to the generosity of Sir W. C. Macdonald of Montreal. The work of the College proper has been directed along the line of teaching agriculture to boys and men who come from the farm and conducting experiments in all branches of agricultural research with the object of helping Ontario farmers to make more money on their own farms. In this work there were engaged in 1910, in addition to the President, 15 professors, 2 associate professors, 9 lecturers, and 7 demonstrators. Various courses are conducted. The College is in affiliation with the University of Toronto and there is a four year course which carries with it the degree of B.S.A. (Bachelor of the Science of Agriculture). There is also a two years' course which is rewarded with an associate diploma. To reach those who cannot spare the time for either of these short course classes in special subjects, extending from two weeks to three months, are conducted during the winter term. The General Courses were taken by 24 students in 1874, 180 in 1894 and 458 in 1911 while the total attendance rose from 366 in 1899 to 1,557 in 1911.

On July 24, 1875, the Hon. S. C. Wood, Provincial Treasurer, became also Commissioner of Agriculture; the Hon. James Young succeeded him in both posts from June 2nd to November 1st, 1883; the Hon. A. M. Ross then held the dual position until May 1st, 1888, when the Department of Agriculture was organized under a separate Minister and with wide powers. Meanwhile, in 1880, Mr. Wood had obtained the appointment of an Agricultural Commission to inquire into agricultural resources, conditions and progress and also grain-growing, stock-raising, dairying, fruit-growing, bee-keeping, forestry, etc., and the functions of the Bureau of Agriculture. The Commissioners were the Hon. S. C. Wood (Chairman), T. Ballantyne, J. B. Aylesworth, W. Brown, John Watson, Thomas Stock, A. Wilson, John Dryden, W. Saunders, E. H. Hilborn, J. P. Wiser, E. Byrne, John McMullan, W. Whitelaw, R. Gibson, F. Malcolm, E. Stock and A. H. Dymond. They heard many witnesses and their published Report in 1881 contained an elaborate synopsis of evidence and a valuable study of conditions though specific recommendations were avoided.

An immediate result of the information thus gained was the establishment of a Bureau of Industries in 1882, under the Commissioner of Agriculture, and the commencement of a series of yearly statistical publications which have been of great value; as well as an ever-increasing issue of pamphlets and Bulletins dealing with all phases of farm work and agricultural progress, in most instructive form, and totalling in 1910 an issue of 135,000 copies. Besides these publications the Bureau in later years published the

annual Reports of the Ontario Agricultural College, the Agricultural and Horticultural Societies, the Farmers and Women's Institutes, the Experimental Union and Vegetable, Live Stock, Poultry, Dairymen's, Entomological, Fruit-Growers, Corn-Growers and Bee-keepers organizations, totalling in 1910 243,500 copies. With the change in Departmental matters and the appointment in 1888 of Mr. Archibald Blue and then in 1891 of Mr. C. C. James as Deputy Minister of Agriculture—as well as Secretary of the Bureau of Industries—progress was marked in every direction and a systematized, scientific, and also popular method of treating and aiding agriculture developed in the Province. The first Minister under the new regime was the Hon. Charles Drury appointed on May 1, 1888. On Sept. 29th, 1890, he was succeeded by the Hon. John Dryden who held office in various re-organizations of the Government until 1905, when on Feb. 8 Mr. Nelson Monteith, B.S.A., became Minister of Agriculture in the Whitney Administration. On Oct. 6, 1908, he was succeeded by the Hon. James S. Duff. During these years and following Confederation the amount voted for what might be called educational agriculture grew slowly, as the ensuing table will indicate, in the earlier years of the period, and swiftly in the later portion, to a total of nearly $12,000,000:

1868.....	$75,985	1883.....	$166,540	1897.....	$259,299
1869.....	67,551	1884.....	190,466	1898.....	274,156
1870.....	66,722	1885.....	135,832	1899.....	311,647
1871.....	74,927	1886.....	154,060	1900.....	279,299
1872.....	70,577	1887.....	149,679	1901.....	298,325
1873.....	147,711	1888.....	152,805	1902.....	342,652
1874.....	107,566	1889.....	188,667	1903.....	442,562
1875.....	106,968	1890.....	155,496	1904.....	516,672
1876.....	111,764	1891.....	188,697	1905.....	481,191
1897.....	$259,299	1892.....	221,083	1906.....	559,481
1878.....	111,631	1893.....	212,660	1907.....	633,526
1879.....	106,082	1894.....	237,001	1908.....	634,205
1880.....	130,943	1895.....	263,500	1909 (10 mons.)	602,555
1881.....	142,346	1896.....	261,219	1910.....	758,405
1882.....	163,941			1911.....	876,894

Of the organizing work done during these years there was much of detail and much in the way of accomplishment. The Farmers Institute system started in 1885 in connection with the Agricultural College, and grew until it had to be placed under a Superintendent with, in 1910, a membership of 21,662; the work of the Agricultural College in conducting experiments which were explained in published Bulletins became of great scientific and practical working value to the farmer; the Experimental Union, formed in 1879, developed a system of co-operative work with thousands sharing in its benefits; the Travelling Dairies, started in 1891 as an experiment and intended to show farmers how to make butter, proved very successful and was followed in 1893 by the opening of a Dairy School at Guelph with, eventually, large buildings and crowded attendance; the Women's Institutes, started in 1897, numbered in 1910 600 branches with 14,000

members. There was also steady development in agricultural methods through yearly grants, general Government encouragement, wide diffusion of useful literature, and the obvious usefulness of voluntary Associations.

The Dominion Shorthorn Breeders Association was formed in 1886, the Dominion Ayrshire Breeders in 1888, the Dominion Hereford Breeders in 1890, the Holstein-Fresian Association of Canada in 1884, the Canadian Jersey Cattle Breeders Association in 1894, the Clydesdale Horse Association in 1886, the Shire Horse Association in 1890, the Canadian Hackney Horse Association in 1892, the Canadian Horse Breeders in 1895, the Dominion Cattle Breeders in 1892, the Dominion Sheep Breeders in 1889, the Dominion Swine Breeders in 1889, the Dairymen's Association of Western Ontario and that of Eastern Ontario by a division in 1877 of the Canadian Dairymen's Association formed at Ingersoll in 1867. The Creameries Association of Ontario was formed in 1886, the Poultry Association of Ontario in 1874, the Eastern Poultry Association in 1884, the Beekeeper's Association of Ontario in 1880, the Ontario Good Roads Association in 1894. The Fruit-Growers Association of Ontario was formed as far back as 1859 and it was chiefly instrumental in obtaining the organization, in 1894, of Fruit Experiment Stations in the Province.

Such is the general record of Government and public aid to Agriculture in Ontario. Since the creation of the present Department individual Ministers have done much to improve its usefulness and develop its scope of operations while the Deputy Minister of 20 years (C. C. James, C.M.G., who was in 1912 succeeded by W. B. Roadhouse) had been always at his post of study, an expert in improved methods and the practice of new ideas. It is difficult here to more than indicate the progressive work performed by Mr. James in these years but it was one which came to be widely known and greatly appreciated. The spread of knowledge amongst farmers, dairymen, fruit-raisers, and all branches of the great agricultural industry; the diffusion of practical working plans for increasing production, improving and utilizing the soil, bettering social life and conditions, promoting organization and thought and study amongst farmers, making dairy products better and the packing cleaner and more honest in all lines; the establishment of demonstration fruit orchards, of experimental work in every direction and the practical demonstration of new methods by trained men; the promotion of immigration amongst those suited for farm work—such have been some of the educational ideals and practical accomplishments of the Department in recent years.

HISTORICAL SKETCH OF

THE STANDARD BANK OF CANADA

This important Canadian Banking institution was originally organized (Feb. 18, 1873) at Toronto as the St. Lawrence Bank with an authorized capital of $1,000,000, a subscribed capital of $760,000 and a paid-up capital of $426,130. Its original incorporators under an Act becoming law on June 14, 1872, were J. C. Fitch, Francis Shanly, John Hoskin, Q.C., Thomas Dick, Robert Hay, W. F. Allen and Samuel Burden. The first Board of Directors was composed as follows: Hon. T. N. Gibbs and John Cowan, Oshawa, R. C. Jamieson, Montreal, J. C. Fitch, Capt. Thos. Dick and A. Thornton Todd, Toronto, and W. F. Allen, Bowmanville. Mr. Fitch was elected President, Hon. T. N. Gibbs Vice-President and K. F. Lockhart was appointed Cashier. The Bank commenced business on Mar. 23rd, 1873, in a wholesale warehouse building at the corner of Jordan and Melinda Streets, and during its first months of operation 11 branches were opened. The 1st annual meeting was held in Toronto on 15th July, 1874, and the Report for the year ending June 30th showed profits of $33,136 with two dividends of 8 per cent. in 16 months, a paid-up capital of $426,130, total deposits of $457,687, notes in circulation of $368,252 and notes and bills discounted of $1,015,699. The total Assets were $1,335,164 and the Liabilities to the public $897,458. The Directors were re-elected. In this year the St. Lawrence was the first Bank in Canada to open small savings bank accounts.

The 2nd annual meeting (July 7, 1875) showed a marked contraction in business resulting largely from the general stringency in monetary affairs and wide commercial depression, the total deposits were $282,663 and the discounts $1,040,513, the dividend was passed and some branches were closed. Dr. G. D. Morton replaced Captain Dick on the Directorate, Mr. Fitch resigned the Presidency and Hon. T. N. Gibbs was elected in his place with W. F. Cowan as Vice-President. Re-organization followed as the result of a Special Meeting of shareholders held on Jan. 11, 1876. Mr. Lockhart resigned and Mr. J. L. Brodie, then Manager of the Royal Canadian Bank, Montreal, and one-time Manager of the Chartered Bank of India at Bombay, was appointed his successor. He at once proceeded to re-organize the entire institution and change its name to that of The Standard Bank of Canada, which was done by an Act of Parliament assented to on April

12, 1876. The paid-up capital was reduced 25 per cent. and the shares changed from $100 to $50 in value—each share-holder receiving one and one-half shares of the Standard for one share in the St. Lawrence Bank.

The 1st annual general meeting of what was practically a new Bank was held in Toronto on July 12, 1876, with statements showing a balance on the old Profit and Loss Account, after reducing capital and writing off losses, as $19,858 with profits for the half-year ending June 30 totalling $21,826. Of this $20,000 was transferred to Contingent Account and a half-yearly dividend of 3 per cent. declared. The new Board was elected as follows: Hon. T. N. Gibbs, M.P. (President), W. F. Cowan (Vice-President), W. F. Allen, A. Thornton Todd, W. H. Gibbs, M.P., R. C. Jamieson and Dr. G. D. Morton. From this time, until 1894, under Mr. Brodie's management, the Bank grew steadily in business and in financial standing. The Cashier (who in the latter year had become Managing-Director) died suddenly on June 18 and it may, therefore, be fitting to summarize here the progress of the institution during his period of control:

Year.	Capital.	Reserve Fund.	Deposits.	Discounts.	Dividend.	Total Assets.
1876..	$501,250	.....	$396,129	$1,026,840	6%	$1,277,170
1877..	507,750	.....	508,180	1,071,810	6%	1,292,989
1878..	509,750	.....	921,368	1,109,388	6%	1,730,688
1879..	509,750	.....	634,621	1,008,038	6%	1,417,093
1880..	509,750	$7,500	841,418	1,233,507	6%	1,665,106
1881..	509,750	25,000	1,124,763	1,505,350	6%	2,048,637
1882..	762,510	80,000	2,124,663	2,868,195	6%	3,535,201
1883..	764,600	140,000	2,137,881	3,017,514	7%	3,586,958
1884..	803,700	185,000	2,212,625	3,045,078	7%	3,697,275
1885..	803,700	220,000	2,422,365	3,056,498	7%	3,948,256
1886..	1,000,000	300,000	2,611,276	3,233,056	7%	4,472,991
1887..	1,000,000	340,000	3,074,142	3,706,181	7%	5,100,974
May 31, 1888..	1,000,000	380,000	3,295,162	3,737,979	7%	5,300,425
1889..	1,000,000	410,000	3,465,374	3,989,653	7%	5,576,825
1890..	1,000,000	460,000	3,421,403	3,659,794	7%	5,702,779
1891..	1,000,000	500,000	4,013,513	3,638,430	7½%	6,209,628
1892..	1,000,000	525,000	4,553,956	3,753,130	8%	6,794,463
1893..	1,000,000	550,000	5,051,760	3,811,520	8%	7,630,264
1894..	1,000,000	600,000	4,989,060	4,497,499	8%	7,666,586

Following the re-organization there had been some years of national depression, but with continued cautious management of the institution, until in 1881 the first increase in Stock was found necessary and was disposed of at a premium of 5 per-cent. The succeeding 1883 increase was taken at a premium of 15 per cent. The new Directors during this period were John Burns, Fred. Wyld, A. J. Somerville and T. R. Wood. In 1883 W. F. Cowan succeeded Mr. Gibbs as President, on the latter's death, and John Burns was elected Vice-President. New Branches had also been opened at Campbellford, Brighton, Bowmanville, Parkdale, Brantford, Chatham, Stouffville and Brussels. Meanwhile, in 1876 the Head Office had been moved to the south-west corner of Yonge and Wellington Streets, where it remained until 1885 when

new premises were occupied at the north-west corner of Wellington and Jordan.

When Mr. George P. Reid, Assistant Manager, with a record of 20 years service in the Bank, succeeded Mr. Brodie in June, 1894, as General Manager, the institution had an authorized capital of $2,000,000 (increased from $1,000,000 in 1881) with one-half paid up and 17 Agencies—all in Ontario. Mr. J. S. Loudon, who had been with the Bank from the beginning and Inspector since 1882, was now appointed Assistant General-Manager. In 1904 Mr. Reid retired and Mr. George P. Scholfield, Manager of the Toronto Branch, who had been on the staff since 1883 and Manager of several important branches, was appointed his successor. During these ten years much progress had been made. There were at the latter date 26 Agencies—all in Ontario—and the paid-up capital and reserve fund were equal and had each reached the $1,000,000 point. The Directors elected on June 15th, 1904, were W. F. Cowan (President), Frederick Wyld (Vice-President since 1902 when Mr. Burns had died), W. F. Allen, A. J. Somerville, T. R. Wood, W. R. Johnston and Wellington Francis—in 1902 James Scott, Director since 1895, had passed away. The business during this period and under Mr. Reid's management was as follows:

Year.	Capital.	Reserve Fund.	Deposits.	Discounts.	Dividend.	Total Assets.
1895..	$1,000,000	$600,000	$5,437,181	$4,286,855	8%	$7,704,525
1896..	1,000,000	600,000	5,302,713	4,736,974	8%	7,712,602
1897..	1,000,000	600,000	5,746,098	5,292,135	8%	8,275,757
1898..	1,000,000	600,000	6,313,566	5,550,181	8%	9,302,427
1899..	1,000,000	600,000	7,145,268	5,970,568	8%	10,136,030
1900..	1,000,000	700,000	7,335,114	6,571,824	8% (& Bonus)	10,561,047
1901..	1,000,000	750,000	8,231,555	7,271,801	10%	11,050,659
1902..	1,000,000	850,000	9,445,536	7,645,646	10%	13,120,562
1903..	1,000,000	925,000	10,390,026	8,794,886	10%	14,071,848
1904..	1,000,000	1,000,000	11,456,917	10,425,906	10%	15,782,314

With Mr. Scholfield's accession to office the Standard Bank developed even more rapidly than before and extended into wider fields of work. Its Agencies were now styled Branches and between 1905 and 1911 they increased in number from 26 to 110—including 11 sub-branches—and spread from Ontario, to which they had hitherto been confined, into Alberta, Saskatchewan and Manitoba; in 1906 the authorized capital was increased by $2,000,000 to $3,000,000 and $500,000 was issued at a premium of 100 per cent. while the dividends were made payable quarterly; in 1907 the financial year was changed from May 31st to January 31st and an Officers' Pension Fund created with $5,000 as the Bank's first contribution, $7,500 more in each of the years 1908-9-10, and $10,000 in 1911. On Oct. 1st, 1908, an agreement was entered into with the Western Bank of Canada under which 27 branches and a corresponding amount of deposits and general business were acquired. The shareholders of the Western were paid

at the rate of $160 for each $100 share. The actual absorption took place on Feb. 16, 1909, and Mr. T. H. McMillan, Cashier of the Western, joined the Board of the Standard. In 1909-10-11 a number of branches were opened in Alberta and Saskatchewan. A handsome new Head Office building, in a prominent position at the corner of King and Jordan Streets, Toronto, was completed and occupied in July, 1911. The statistics of progress during this period were as follows—the Directors elected on Feb. 21, 1912, being W. F. Cowan (President), F. Wyld (Vice-President), W. F. Allen, Wellington Francis, K.C., F. W. Cowan, H. Langlois and T. H. McMillan:

Year.	Capital.	Reserve Fund.	Deposits.	Discounts.	Dividend.	Total Assets.
May 31,						
1905..	$1,000,000	$1,000,000	$12,592,409	$11,285,452	10%	$16,652,801
1906..	1,184,278	1,284,278	13,149,855	12,242,401	10 & 12%	17,745,111
1907..	1,540,420	1,640,420	14,676,667	14,237,926	12%	20,626,640
Jan. 31,						
1908..	1,559,700	1,759,700	14,613,456	13,549,484	12%	20,717,205
1909..	1,562,500	1,862,500	16,014,207	13,068,243	12%	21,162,287
1910..	2,000,000	2,400,000	23,520,527	19,610,721	12%	30,144,756
1911..	2,000,000	2,500,000	26,413,503	23,025,354	12%	33,427,328
1912..	2,000,000	2,600,000	30,116,869	25,325,083	12%	37,311,317

HISTORICAL SKETCH OF THE

BRITISH AMERICA ASSURANCE COMPANY

Age in business or financial institutions is a most important consideration and is becoming more and more so in this period of great activity and competition, of large profits and sometimes early collapse. Financial age in these days is apt to mean stability and safety for the public, integrity and skill in management, accumulated experience in business detail, and more than average certainty of good returns. In this connection and in Canadian Insurance history the "British America" is notable. At a time when William IV. was King—before the Rebellion of 1837 had occurred or the Union of Upper and Lower Canada been consummated or the national structure of Confederation more than dreamed of—the British America Fire and Life Assurance Company was born in what was then the small, straggling, un-incorporated town of York. The oldest Fire Insurance Company in Canada—except the Quebec Fire, which was organized in 1816—and the oldest existing financial institution in Ontario, the British America was formed in 1833 and was incorporated by the Parliament of Upper Canada on Feb. 13 of that year with a large number of incorporators (52 in all) which included most of the representative men of the place in those pioneer days.

Some of the names covered careers then only in the early stages of evolution; others were prominent. Amongst them were the Hon. R. B. Sullivan and Hon. C. A. Hagerman, politicians and Judges; Bishop Strachan, ecclesiastic and politician and educationalist; W. B. Jarvis, Sheriff of York; Hon. John Rolph, Hon. H. J. Boulton and Hon. John Elmsley, political and social leaders; S. P. Jarvis, J. G. Chewitt, C. J. Baldwin, William Proudfoot, and other well-known men. The Charter gave the right to do either a Life or Fire business though the former privilege was little used. The right of granting annuities was also given. The Capital Stock was placed at £100,000—about $400,000 in the currency of the period—with £25,000 to be subscribed before organization and 10 per cent. to be paid before business was commenced. Not more than 80 shares of £12 10s. each were to be held by any one person and the meetings of the Board of Directors were to be held weekly.

Under the Charter there was to be a Governor and a Deputy-Governor in place of the modern President and Vice-President

and this style was maintained until 1893; the stockholders voted according to the shares held—1 vote for each share up to 4, 5 votes for 6 shares, 6 votes for 8 shares, 7 for 10, and one for every share above 10. No proxies were allowed outside of Upper Canada. Following these preliminaries a public meeting was held to promote the organization of the new and, in those days, very important enterprise. The following record is from the *Upper Canada Gazette* of Mch. 6, 1834:

FIRE ASSURANCE COMPANY.

At a Meeting convened by public notice, held at the Court House in the Town of York on Tuesday, 4th March instant.—The Honourable William Allan, being called to the Chair, the following Resolutions were adopted:

Resolved: That in the opinion of this meeting, the period has arrived, which renders it highly necessary for the protection of the Inhabitants of this Province against calamities which may arise from the loss of property by Fire, to establish a Fire Assurance Company.

Resolved: That an Act of Incorporation having been passed in the Third Session of the Eleventh Parliament of this Province entitled "An Act to Incorporate a Company under the style and title of the British America Fire and Life Assurance Company" it is deemed expedient that a Company should be established, with as little delay as possible, under the Provisions of the said Act, the operations of which shall, in the first instance, be confined to effecting Assurances against loss from Fire.

Resolved,—That for the accomplishment of this object and with a view to compliance with the provisions of the said Act, a Committee of six persons be now appointed to take the necessary measures for causing Books of Subscription to be opened at the several Towns throughout the Province, named in the second clause of the said Act.

Resolved,—That the said Committee consist of The Hon. W. Allan, George Monro, Wm. Proudfoot, Wm. H. Draper, Wm. Gamble and D'Arcy Boulton, Esqrs.

Resolved,—That the said Committee so soon as the said Books of Subscription are returned to them, shall call a meeting of the Subscribing Stockholders, at York, for the purpose of taking such further measures as may be necessary, for carrying into immediate effect the provisions of the said Act of Incorporation.

R. STANTON,
Secretary.

York, 4th March, 1834.

These and other efforts were successful, eventually, and the 1st meeting of the new Association took place on Nov. 17th, 1834, when the Directors elected were John Ewart, Peter Paterson, Hon. W. H. Draper, William Gamble, Isaac Buchanan, Hon. J. H. Dunn, George Percival Ridout, James Newbigging, W. B. Jarvis, Dr. Burnside, B. Thorne, W. Proudfoot, George Monro, and John S. Baldwin. Mr. Proudfoot was chosen Governor and Mr. Baldwin Deputy Governor; T. W. Birchall, a prominent dry goods merchant of the time, was appointed Managing-Director and W. H. Draper (afterwards Chief Justice of Upper Canada) became the first Solicitor; John King, M.D., was selected as Medical Adviser, evidently with the intention of carrying on Life

Insurance. Shortly after this time the legal firm of William and Clarke Gamble which had been instrumental in obtaining the Charter was put in charge of the Company's legal business and with individual changes has been associated with it ever since—Mr. H. D. Gamble being the Solicitor in 1912. The Bank of Upper Canada were the Company's bankers. Business commenced on June 19, 1835, with a paid-up capital of $42,915 and in 1836 the Hon. William Allan, long a prominent figure in the public life of the Province, succeeded Mr. Proudfoot as Governor—a post which he held until 1854. The Company at first had its offices at the corner of George and Duke Streets in the residence of Mr. Birchall; in 1864 it moved to the corner of Church and Court Streets where operations were carried on until 1876; in the latter year the commodious building at the corner of Front and Scott Streets was occupied.

The By-Laws of the Company were adopted on June 2, 1835, and contain many curious illustrations of the method of transacting business in pioneer days. There was to be a weekly Committee of three Directors who were to sit daily in the Office at the hour of ten in the morning for the purpose of granting and signing policies; no policy was to be granted to any person not a shareholder until the capital stock was all taken up, or until otherwise provided. In the stormy days of 1837 the Minute Books of the Company entirely disappeared although those of 1836 and 1839 have been preserved. It was a little after this time that the Secretary of the Company in recording a Board Meeting, with almost every Director present, wrote as follows: "The Board very full except Mr. ——, of Montreal"! In October, 1842, the Company was authorized by the new Legislature of Canada (Upper and Lower Canada) to extend its operations to Inland Marine Insurance and by an Act in August, 1851, these powers were further extended to include Ocean Marine insurance. In 1853, by 16 Vict. Chap. 68, the name of the Company was changed to that of the British America Assurance Co. which it still holds to-day—nearly 60 years afterwards.

This was a stormy period in the history of the country and the youthful Insurance Company had its full share of ups and downs. Most of the business of the Provinces was in the hands of British Companies who appointed mercantile houses as their representatives with power limited only in the rates of premium which were fixed in England. The competition of known, long-established, and wealthy British companies, added to troublous political conditions which in these small communities often created strained personal relations, obviously made the task of the new local Company far from easy. It had, of course, a considerable local support assured to it through a large Board of Directors representing, what was called up to Confederation days, the Court of Proprietors. They were all men of social or commercial stand-

ing and, no doubt, brought considerable business with them. Some notable names in the years 1835-1867 (aside from those of the first Board already given) were as follows: Thomas Helliwell, Theodore Hart, J. S. Macaulay, Samuel Ridout, W. Cawthra, William Gamble, Alexander Dixon, A. Hamilton, Augustus Baldwin, G. Duggan, Jesse Ketchum, Hon. J. H. Hagarty (long afterwards Chief Justice of Ontario), J. D. Ridout, Lieut.-Colonel G. T. Denison (1849) and Peter Diehl. The student of history will find these names interesting. The Deputy-Governors during this period were the Hon. Dr. C. Widmer, G. P. Ridout, Hon. James Gordon, William Proudfoot and P. Paterson.

In March and April, 1854, a Committee of the Company—G. P. Ridout and P. Paterson—anticipated the reality of 20 years later by investigating business conditions in the United States with a view to creating Branches in that country. They visited Buffalo, Cleveland, Rochester, Oswego, New York, Syracuse, Albany, Boston and Philadelphia and reported on their return without, however, any definite action being taken at the time. In the light of modern figures the results of the Company's early operations appear small but they were not really so. The capital (paid up) grew to $51,640 in 1840, to $140,358 in 1845 and $179,344 in 1850, to $180,000 in 1855 and to $200,000 in 1865. During these years the Company had to face the somewhat inert and unprogressive condition of business in the Canadas—aided though the Provinces were by the War prices of the early Fifties and the early Sixties. They had also to meet the competition of the British Companies; though not to any serious extent, in these years, of United States concerns. In 1867 when the Provinces of British America entered upon a new life of union, the British America Assurance Co. had total assets of $252,534, a paid-up capital of $200,000, Premiums in the Fire Department of $112,-028 and in the Marine Department of $41,503. The Directors elected in this year were G. P. Ridout, Peter Paterson, E. H. Rutherford, Hon. G. W. Allan, Hon. W. Cayley, G. J. Boyd, T. C. Street, R. S. Cassels and A. Joseph. The Premiums of the Company from 1834 to this date and on to 1873, inclusive, were stated at $4,814,532 and the total Losses or payments to Policyholders at $3,163,599.

After Confederation, and up to 1892 when a complete re-organization of the Company took place, there was steady progress in its business although the unavoidable difficulties of current seasons of depression such as those of 1874-79, and events such as the St. John fire of 1877, had their influence upon its business. The paid-up Capital Stock which in 1870 was $200,000 grew in 1875 to $336,495; in 1878 it was increased to $500,000. Meanwhile, in 1872, T. W. Birchall, who had been Managing-Director since the inception of the Company, retired owing to ill-health, and from 1873 to 1881 F. A. Ball was Manager. In

1881 L. H. Bault was Acting-Manager and in the next year the management passed into the hands of Silas P. Wood as Secretary. George E. Robins succeeded him in 1886-8 and thence up to the re-organization there was no official in charge except the Governor. Between 1854 and 1873 G. P. Ridout had held this latter position; in 1873-82 Peter Paterson was Governor; in 1882-92 John Morison filled the position and, latterly, held the management of the Company.

In 1874 the British America branched out in its business and established agencies throughout the United States. Licenses to operate were obtained in most of the States and, by 1910, the only ones excepted were Arkansas, California, Mississippi, Nevada, Oregon, South Dakota and Tennessee. By 1912 the Company was operating also on the Continent of Europe, in Great Britain, Mexico, Porto Rico, Honolulu, Batavia, Japan, the Philippines, Java, Egypt, India, Burmah, Ceylon, China, Hong Kong, Antigua and Bermuda. Prior to 1872 the competition between British, United States and Canadian Fire Companies had become so excessive and close as to make business unprofitable, or unsatisfactory, and they now agreed almost unanimously to form an Association for the adoption of united action, uniform rates and a better classification of hazards. The results were considered beneficial and in succeeding years Canadian Companies gradually obtained a surer footing. Their total business in the 29 years from 1869 to 1897 was $3,417,036,961 in the amount of policies taken, $32,-682,165 in the Premiums received, and $23,289,020 in the Losses paid. The British Companies did three times this business in the years mentioned and the United States Companies commenced to make their mark by doing about one-third of the Canadian total. The position of the British America Company on Jan. 1, 1876, showed total Assets of $877,635 which by 1888 had grown to $1,147,919. The Fire Premiums in 1888 were $749,943 and the Marine Premiums $86,325.

An interesting incident took place on Aug. 22nd, 1877, when a Luncheon was held after the annual meeting and attended by a number of distinguished persons including the Rt. Hon. Sir John A. Macdonald, K.C.B., who was destined in another year to be again Prime Minister of Canada. Amongst the speakers were General Walker of Georgia, Chief Justice R. A. Harrison of Ontario, Mr. Justice (afterwards Sir) George W. Burton. Sir John Macdonald made one of his characteristic speeches with the following specific reference to the British America Assurance Co.: "He had insured everything he had in the world in the British America and therefore he, at least, hoped the Company would not 'go to blazes' before he did. He was proud of the Company; it was a credit to Canada. It had had its hard times, as indeed what enterprise had not, but it had passed safely through them all, and to-day was more prosperous than ever, and this was, he believed,

but the natural result of the careful, straightforward, honest course the Company had ever adopted." In this year, it may be added, the total Assets of the Company were $1,083,443, the total Premiums received $700,621, the Fire and Marine Losses $413,066.

At the annual meeting of Feb. 19, 1890, the Governor of the Company was able to state that its entire business for 1889 had been done at an expense ratio of 31 3-10 per cent. which was, he added, the lowest of any Stock Company doing a similar agency business in America. In 1891 the gross Assets were $1,076,306, the Fire Premiums $711,707 and Marine Premiums $53,350 and the total payments to policyholders since organization was $11,-899,921. Some of the Directors who came and went during the period between 1867 and 1892 were Peleg Howland, Very Revd. Dean Grasett, Hugh McLennan of Montreal, C. D. Warren, Henry Taylor, John Gordon, George Boyd, G. H. Smith, and John Leys. The Board at the beginning of 1892, when new conditions developed, was composed of J. Morison, Governor, J. Y. Reid, Deputy-Governor, Thomas Long, H. Robertson, M.D., A. Myers, T. H. Purdon, J. Morison, Jr., G. M. Kinghorn and J. M. Whiton (New York).

In this year it was decided to increase the Capital Stock from $500,000 to $750,000, the authorized Capital Stock to $1,000,-000, and to make some arrangement of co-operation with the Western Assurance Company, which had been established in 1851, and was at times competitive in business. New men came into the British America and on the Board while Messrs. Reid, Whiton and Morison Jr., retired. A new management was organized and a working arrangement made with the Western by which the two Companies maintained their separate identities but passed under the same control. Mr. J. J. Kenny, who had served as Inspector, Secretary and finally as Managing-Director, of the Western, was also appointed Vice-President (or Deputy Governor as the office remained until Parliamentary right to change was obtained by 56 Vict. Chap. 75) and Managing-Director of the British America. At the same time Messrs. George A. Cox, A. M. Smith and S. F. McKinnon were also appointed to the Board.

On Feb. 15, 1893, the 59th annual meeting was held and Mr. (afterwards Senator) Cox explained the issue of $250,000 of new stock at a premium of 15 per cent. and submitted a statement which showed the total Income of the Company in the past 20 years, ending Dec. 31, 1892, as $16,151,579, the losses and expenses as $15,015,637 and the dividends paid to shareholders as $798,140, or within a fraction of an average of 9 per cent. per annum. Mr. Kenny indicated good reasons for the future co-operation of the British America and the Western. The new Board was composed of George A. Cox, S. F. McKinnon, A. M. Smith, Thomas Long, John Hoskin, Q.C., Robert Jaffray, Augustus Myers, H. M. Pellatt and J. J. Kenny. Mr. Cox was elected

Governor (or President as it soon became) and has remained so ever since; Mr. Kenny remained Managing-Director until 1906 when he retired and was succeeded by Mr. W. B. Meikle who had been for some years Manager of the Manchester Fire Office business in India and the East, and Marine Underwriter for the Triton Insurance Company of India. Since 1900 he had been British and Foreign Manager of the British America and Western Companies in London and he now (Jan. 1, 1907) assumed the General Management of both concerns in Toronto. Mr. P. H. Sims was, in 1892, appointed Secretary of the British America and held the position until his retirement in 1912.

Meanwhile the Company faced the depression of 1893, shared in the prosperity following 1897, lost considerably in the Baltimore and Toronto fires of 1904, and largely in the San Francisco disaster of 1906. In the 1893 annual Report the Directors stated that the losses had been larger than expected but in ratio to premiums were considerably below the average of all Companies doing business in Canada. The 1894 business showed a great improvement and the President (Feb. 22, 1895) took occasion at the annual meeting to deprecate certain current proposals for municipal Fire Insurance. Under such conditions no City suffering from a conflagration could hope to re-build. The Toronto fires of January and March, 1893, under which the Insurance Companies in Canada paid $1,600,000 in losses, had its effect upon the Company's business but compensation came from the United States and the net result was favourable. The Canadian business of the Company in 1896 was better than the United States branches showed and Senator Cox was able to say on Feb. 18, 1897, that " the British America is attaining in the field of fire underwriting in the Dominion that position which we have always felt it should occupy." In this latter year the Canadian business of the Agricultural Insurance Co. of Watertown, N.Y., was assumed. The 1898 business suffered somewhat from the New Westminster fire of September and the Marine branch from exceptionally disastrous storms. During the five years, 1894-8, the total profits of the Company in revenue account had, however, been $349,000.

During 1900 the paid-up Capital Stock was increased to $1,000,000—the additional $250,000 being allotted and taken up at a premium of 15 per cent. On Dec. 1st (1899) a Branch Office in conjunction with the Western Company was established in London, England, with the Earl of Aberdeen as Chairman—afterwards succeeded by the Rt. Hon. Sir J. H. Kennaway, Bart. The experiences of this year (1900) included a share in the Hull and Ottawa fires. In 1901 the Companies in Canada, generally, took steps to advance their rates and the process continued during the following year when the returns showed improvement. Favourable profits in the next year or two were followed by the Baltimore and Toronto conflagrations of 1904 which compelled the

shareholders, at a special General Meeting on June 8th, to write $500,000 off the Capital Stock followed by the issue of $350,000 of new Stock of which all but $14,604 was paid up by the close of the year. The security to the policyholders was maintained intact and the Premium Income of the year was the largest in the Company's history.

The year 1905 proved a most satisfactory one but was followed by the greatest disaster which the Fire Companies of this Continent had ever encountered—the San Francisco conflagration of 18th April, 1906, which involved an Insurance loss of $250,000,000. The losses of the British America totalled $1,029,025. Unlike so many other Companies interested its management met the issue boldly. Without taking advantage of technicalities, of compromises in the face value of policies, or of the fact that the earthquake preceded the fire, this Canadian Company paid every loss at 100 cents in the dollar. A special meeting was held, $550,000 of Cumulative Preference Stock was issued at a premium of 25 per cent. and taken up ($687,500) before the close of the year by a group of Toronto financial men—Hon. G. A. Cox, W. R. Brock, Sir William Mackenzie, Frederic Nicholls, Col. Sir Henry Pellatt, E. R. Wood, Alexander Laird, Sir Donald Mann, *et al.* As Senator Cox said at the annual meeting of 1907: "Notwithstanding the very serious losses sustained by the Company in that catastrophe I am proud to say that we have been able to provide for every one of our claims in full." The authorized Capital Stock was increased at this time from $2,000,000 to $3,000,000.

In 1907 when Mr. Meikle had taken charge of the business a careful revision of the Company's insurance was made and liabilities in congested centres of Canada and the United States were greatly reduced. The Company also decided to retire from the insurance of Hulls upon the Great Lakes. The re-organization of the Fire underwriting continued in 1908 when large fires occurred at Fernie, B.C., and Three Rivers, P.Q., while on Feb. 20, the Marine business of the Company was finally closed out and all liabilities re-insured. With the year 1909 business commenced to improve and the net profits totalled $213,111—the largest since organization. It may be added here that in 1882 (45 Vict. Chap. 99) several Acts relating to the British America Assurance Co. were amended and consolidated; the old-time Charter was repealed and new regulations, uniform with those of other Fire Companies in Canada, were substituted. In 1906 there had been an increase in the number of Directors and a change in the *personnel.* Senator Cox was re-elected President, Mr. W. R. Brock became Vice-President, and the following were also elected to the Board: Robert Bickerdike, M.P., Montreal, E. W. Cox, D. B. Hanna, John Hoskin, K.C., LL.D., Alex. Laird, Z. A. Lash, K.C., LL.D., Augustus Myers, George A. Morrow, Frederic Nicholls, James Kerr Osborne, Colonel Sir Henry Pellatt, C.V.O.,

W. B. Meikle and E. R. Wood. In 1909 Dr. John Hoskin, K.C., was made an additional Vice-President but in 1910 retired to take a seat on the London Board. John Sime was at this time appointed Assistant General-Manager. There was no change in the Board during these latter years.

By the close of 1911 this Company, which started in such a small way 78 years before, had a joint stock authorized capital of $3,000,000, a paid-up capital of $1,400,000, and a total Insurance in force of $277,685,611 (1910) of which $215,949,099 was outside of Canada. It had withstood the shocks of a period in which Fire Insurance organizations on this continent had risen and fallen in immense numbers—over 1,600 having retired from business in the past 40 years alone; it had paid out in losses to policyholders since its foundation the huge sum of $35,459,275. The British America had, in short, been part and parcel of the business history, the early financial activities, the municipal and metropolitan development of Toronto; it had been associated with the pioneer and testing days of Ontario's foundation and growth; it has had a career closely connected with many important pages of the nation's record; it should have a future development in harmony with its long and honourable past.

HISTORICAL SKETCH OF
THE MERCHANTS BANK OF CANADA

This prominent financial institution owed the initiatory stages of its existence to an Act of Incorporation which was granted "The Merchants Bank" on May 18th, 1861 (24 Vict. Cap. 89) at the request of Hugh Allan, Hon. Louis Renaud, Harrison Stephens, Hon. John Young, H. H. Whitney, Damase Masson, Edwin Atwater, William Edmonstone, Andrew Allan, John Smith, Ira Gould and Robert Anderson—all prominent citizens of Montreal. The first-named was the real organizing factor, however, and, as Sir Hugh Allan, was afterwards for 20 years an important influence in the history of the Bank. The capital stock authorized was $2,000,000 in $100 shares. It was not until February, 1864, however, that the final organization steps were taken and in that month advertisements appeared in the local press stating that the Provisional Directors of the new institution were Messrs. Hugh and Andrew Allan, Renaud, Masson, and Atwater, Adolphe Roy and W. F. Kay and that they believed this "to be a favourable time for the establishment of another Bank to meet the requirements of our constantly expanding trade." The stock-books were to be closed when $400,000 was subscribed and $100,000 paid up.

The first general meeting of Shareholders was held on Apl. 28th following with $750,000 subscribed and $100,000 duly paid in. The Provisional Directors were confirmed in their places and the Bank opened for business on May 9th with Jackson Rae, a local grain dealer, as Cashier and a staff of four assistants. The Solicitor was Hon. J. J. C. Abbott, Q.C.—long afterwards Prime Minister of Canada. The 1st annual meeting was held on July 3, 1865, and profits for the year of $92,154 were announced with a dividend of 8 per cent. During this period interest had been allowed on current accounts at 4 per cent. on $10,000 and over, 4½ per cent. on special deposits for 3 months and 15 days and 3 per cent. on balances not below $5,000. The Directors reported that this policy had caused no inconvenience and that business had so grown as to demand larger premises. For this purpose they had acquired a property, and were building, on the south-west corner of Place d' Armes and Notre Dame St., where, also, the first business of the Bank was carried on. Mr. Renaud retired from the Board and was succeeded by Hugh Fraser. A further allotment of $250,000 of stock was made on May 30, 1866, and on July 2, 1867, $1,000,000 more was issued at par.

At the annual meeting of the latter date the Directors referred to the "continued prosperity" of the Bank and added: "We

have been more anxious to do a moderate and safe business than a very extensive one involving greater risk." On Jan. 1st of the year a Savings Bank branch had been opened. The important event of this period was the successful negotiation with the Commercial Bank of Canada for its amalgamation with the Merchants. The Kingston institution had, on Dec. 14, 1867, Assets of $6,105,-607 which included discounts of $2,482,690, Bonds of the Detroit and Milwaukee Railroad valued at $1,770,220 and "doubtful debts" totalling $1,104,713. Its circulation was $596,692 or eight times that of the Merchants and its deposits $1,251,218. Mr. (afterwards Sir) R. J. Cartwright was President and others interested were Hon. L. H. Holton, Alex. Morris, T. C. Street, M.P., and Hon. D. L. Macpherson. The Bank was in a state of practical liquidation and the agreement finally come to was based upon the Merchants' offer of one share to three and a statement which showed nominal Assets of $3,837,640 and Liabilities of $1,170,960. The amalgamation was ratified by the Commercial Bank and approved by the Merchants' shareholders on Feb. 24th, 1868. By this arrangement the latter institution acquired Branches at Toronto, Belleville, Berlin, Chatham, Galt, Hamilton, Ingersoll, Kingston, London, Napanee, Owen Sound, Perth, Prescott, Southampton (transferred to Walkerton), Stratford, St. Thomas and Windsor. Possession was also taken of the Commercial Bank's building in St. James St. for Head Office purposes.

In view of these changes the Charter was amended (1868) so as to authorize a capital stock of $6,000,000 and the shareholders authorized the issue up to $4,000,000—extended in 1869 to $6,000,000. The old Board was re-elected (1868) with Hugh Allan as President and Edwin Atwater Vice-President. At this time the deposits bearing interest were $1,364,620 and without interest $784,542 while the Rest was $100,000. Nearly the whole of the new capital stock was taken up during the succeeding year when the profits of the 12 months (Dec., 1869—June, 1870) were $851,969. In the annual statement of July 4, 1870, the Directors reported several new branches in Ontario making the total 24 in number. The interest-bearing deposits had jumped up to $3,013,-914 and those without interest to $1,614,469, the paid-up capital to over $5,000,000 and the total Assets to $13,000,000. Hector Mackenzie was elected to the Board in place of the late Hugh Fraser.

During the next three years the Bank grew in prosperity as did the general business of the country. At the 1872 annual meeting it was decided to increase the authorized stock to $9,000,000 and the additional three millions was issued at 10 per cent. premium with about two-thirds taken up by 1875. During 1872 the Merchants Bank was the pioneer chartered institution to enter the West and it opened a Branch at Winnipeg when the population of that place was only about 2,000. In 1873 a new Montreal build-

ing—the one still occupied in 1912—was under construction upon the old site and was occupied in 1874 when Mr. Rae's position was changed to that of General Manager and a local branch formed at Montreal. At this time (1874) the dividend was increased to 9 per cent.—it had stood at 8 per cent. since business was started—and the profits of 1873-4 were $1,530,400 although the Directors had to report a "temporary dulness" in business. Mr. Atwater had, meanwhile, passed away and was succeeded by Hon. John Hamilton who also became Vice-President. The 1875 meeting showed slightly increased profits, a continuance of the trade dulness and a Directors' statement that the Bonds of the Detroit and Milwaukee, received in part from the Commercial Bank, had matured and been unredeemed. The 9 per cent. dividend was continued but in 1876 8 per cent. was paid. An Agency of the Bank was opened in London, England and authority given also to open in New York. Up to and inclusive of 1876 the business record of the Bank was as follows:

Year.	Capital Paid Up.	Reserve Fund.	Deposits.	Circulation.	Loans.	Assets.
1865....	$537,060	.....	$405,764	$60,875	$769,338	$1,056,486
1866....	730,100	.....	552,408	86,078	972,606	1,462,471
1867....	941,970	.....	930,598	72,911	1,546,036	2,166,651
1868....	2,884,333	$100,000	2,154,963	629,804	4,837,283	6,498,020
1869....	3,585,426	700,000	3,205,736	1,148,510	5,457,730	9,018,762
1870....	5,078,793	800,000	4,667,593	2,703,652	9,280,391	13,519,241
1871....	5,692,596	1,000,000	5,856,042	3,267,814	13,244,930	16,911,934
1872....	5,780,383	1,200,000	7,889,745	3,953,814	14,300,890	20,059,460
1873....	6,946,280	1,700,000	9,317,511	3,572,837	17,103,067	22,687,497
1874....	7,341,497	1,850,000	8,530,250	3,331,784	16,993,140	22,149,436
1875....	8,102,046	1,850,000	8,194,597	2,815,459	17,052,601	21,628,938
1876....	8,152,016	1,000,000	7,695,770	2,554,090	16,074,169	20,566,714

Then, in 1877, came a sudden and complete change in conditions. The Bank had been going ahead too fast and, with its enormously increased resources and business, its assets of $21,000,000 and its 41 branches as compared with $1,000,000 assets and one Montreal Office 13 years before, it was now face to face with one of the deepest and most far-reaching depressions which have ever touched Canadian trade and finance. Moreover, although it had become the second most important Bank in Canada, with $16,000,000 loaned throughout the country, with large New York operations in gold, currency and exchange, with a heavy loan to the Province of Quebec and with still unrealized securities in bonds and real estate of the Commercial Bank, its supervising machinery and management had been too economically restricted and its higher staff was inadequate for the changed conditions. In February an informal meeting of Shareholders was held in Montreal, the state of affairs discussed and Mr. Jackson Rae's resignation accepted. Shortly afterwards Sir Hugh Allan, who was a man of many Companies and wide interests, deemed it best to retire from the Presidency though retaining a seat on the Board. Senator John Hamilton was elected President and George Hague, who had just retired from a successful career as Cashier of the Bank of Toronto, was invited to become General Manager and,

after a careful inquiry into the financial condition of the Bank, and the promise of a free hand in necessary re-adjustments, he accepted an engagement for a term of years.

At the annual meeting on July 3, 1877, his elaborate report was received and accepted; $2,026,256 was temporarily placed at debit of Profit and Loss as the result of an overhauling of the business, a writing-off and re-arrangement of Liabilities; Parliament was asked by Resolution to allow a reduction of the capital stock by 25 per cent., but the Banking and Commerce Committee of the House of Commons insisted upon the reduction being 33 1-3 per cent., and it was so enacted. A sum was placed, meanwhile, in Contingencies account to help meet any future eventuality. The Board was re-elected with Mr. Hamilton as President and John McLennan as Vice-President. A small dividend (3½ per cent.) was paid, and on May 31, 1878, when it was found that profits of $462,208 were available, a dividend of 7 per cent. was paid on the reduced capital ($5,799,200), and $75,000 was added to the new Rest of $400,000 which had been created out of the margin provided for contingencies in the readjustment of Capital account. The Directors were able to report that despite the continued depression, and the necessary curtailment in many directions, the interests of the customers had been safeguarded, new and valuable connections formed, and various profitable accounts cultivated. The London Agency was closed and arrangements made with the Clydesdale Banking Co., there, and in New York with the firm of Jessup, Paton & Co., to undertake the Merchants' local business.

During this and the next year the national depression continued with the clouds beginning, however, to break in 1880. Difficulties were met and overcome, business was concentrated by the closing of several branches in Ontario and Quebec, with (June, 1880) 28 branches maintained. The Winnipeg Branch showed a considerable increase of business and one was also opened at Chicago in 1881. This latter year showed continuous improvement in business and larger profits; in 1882 good times and Western development made their influence still more felt and the dividend, which had stood at 6½ in 1879 and 6 per cent. in 1880 and 1881, was raised to 7 per cent., at which it remained until 1893. Business at Winnipeg had now assumed large proportions and a branch was also opened at Brandon. Meanwhile Mr. Hamilton had, in June, 1882, been succeeded by Sir Hugh Allan in the Presidency. The latter died late in the year, and the Directors in their succeeding Report paid high tribute to him as the founder of the Bank and an energetic influence in important shipping, financial, and commercial enterprises. Andrew Allan was appointed President in 1883 and Robert Anderson Vice-President while John Duncan and Hon. J. J. C. Abbott were elected to the Board. During this year the Branch in Chicago was closed.

In the early Eighties the Merchants, like other Canadian Banks, had to face the collapse of the Western land excitement and the depression which lasted in that region until the completion of the C. P. R. and incoming immigration changed conditions for the better. In 1886 (June 16) Mr. Hague was able to report a considerable increase in deposits not bearing interest and additions to the Rest in the 6 years of nearly $1,000,000. He urged the formation of a Canadian Bankers' Association and regretted the appearance of a real estate inflation in Toronto. Messrs. W. Darling and A. Masson died during this year and were replaced on the Board by H. Montague Allan and J. P. Dawes. In 1887 the Directors' Report stated that Mr. Hague's services had been re-engaged for a term of years. In the succeeding year Mr. Abbott retired from the Board and was succeeded by T. H. Dunn.

In 1892 Mr. Duncan died and was succeeded as Director by Sir Joseph Hickson while the capital stock was increased to the even sum of $6,000,000 by the issue of $200,000 of new stock at 145, $90,000 going to the Reserve Fund; this latter sum being the only addition to that Fund ever made from such source up to Nov. 30th, 1911. In 1894 the Rest was raised to within 50 per cent. of the Capital and stood at $3,000,000 and the dividend was increased to an 8 per cent. basis, at which it remained for three years more; in 1896 Thomas Long of Toronto was appointed to the Board in place of the late Sir Joseph Hickson; in this year also it was announced that the Directors, at the request of Mr. Hague, had decided to make provision for the future by appointing Thomas Fyshe, for many years the successful Cashier of the Bank of Nova Scotia, as Joint General Manager. This would seem, therefore, to be a suitable time to indicate the general management of the institution under Mr. Hague's 20 years of sole management:

Year.	Capital Paid Up.	Reserve Fund.	Deposits.	Circulation.	Loans.	Assets.
1877....	$8,196,903	.....	$9,033,153	$2,070,654	$13,343,179	$18,506,808
1878....	5,461,790	$475,000	5,590,129	1,994,977	11,498,485	14,988,626
1879....	5,499,353	475,000	6,105,042	1,744,123	11,095,453	14,423,538
1880....	5,520,000	475,000	7,296,151	2,127,695	10,822,573	15,781,563
1881....	5,611,603	525,000	8,169,256	2,835,519	12,909,772	17,601,990
1882....	5,698,696	750,000	10,786,497	3,942,049	16,516,002	21,883,406
1883....	5,714,506	1,150,000	9,016,928	3,625,739	16,585,128	20,180,960
1884....	5,721,726	1,250,000	8,416,194	3,092,377	16,198,809	19,256,314
1885....	5,724,976	1,375,000	8,574,496	2,896,074	16,344,029	19,491,951
1886....	5,799,200	1,500,000	9,591,685	2,869,308	15,247,277	20,424,078
1887....	5,799,200	1,700,000	8,736,812	2,888,754	15,446,558	19,990,087
1888....	5,799,200	1,920,000	9,376,148	2,842,532	16,047,468	20,323,465
1889....	5,799,200	2,135,000	9,942,740	2,565,645	17,479,929	21,134,938
1890....	5,799,200	2,335,000	9,309,723	2,563,897	16,773,579	20,717,737
1891....	5,799,200	2,510,000	10,054,094	2,591,414	17,065,034	21,450,107
1892....	5,799,200	2,635,000	10,644,276	2,731,797	18,465,230	22,456,921
1893....	6,000,000	2,900,000	10,941,867	2,665,932	18,811,201	23,530,939
1894....	6,000,000	3,000,000	10,376,198	2,259,012	17,929,746	22,605,572
1895....	6,000,000	3,000,000	11,019,131	2,352,684	18,106,287	22,928,248
1896....	6,000,000	3,000,000	11,361,794	2,315,031	19,374,565	23,595,689
1897....	6,000,000	3,000,000	12,069,345	2,357,662	18,947,328	24,259,340

Mr. Fyshe now assumed a large responsibility and with 1898 began a new period of progress. Western conditions were marked in 1897-8 by the opening of Branches at Portage la Prairie, Neepawa and Souris in Manitoba and at Medicine Hat and Edmonton in the Territories. In January, 1899, Mr. Fyshe assumed the sole active management, Mr. Hague practically retiring. A number of new Branches were opened and a Pension Fund organized by Mr. Fyshe for the officials of the Bank with a yearly contribution of $15,000; in 1901 and 1902 Andrew Allan and Hector McKenzie (Vice-President since 1896), who had been devoted and long-continued friends of the Bank, died. C. F. Smith and Hugh A. Allan were appointed to the Board while H. Montagu Allan was elected President of the institution and John Cassils Vice-President. Mr. Cassils died shortly afterwards and was succeeded by Jonathan Hodgson in 1903. Mr. Fyshe held the General-Management until 1905 when he retired and was succeeded by Mr. E. F. Hebden, Superintendent of Branches and Chief Inspector, who had been with the Bank for 33 years. During the *régime* of Mr. Fyshe, who had been practically in control for the seven years, the business of the institution had grown to large proportions and the Branches from 35 in number to 94. The Rest, which had to be reduced in 1898 by $400,000, grew again by $800,000, the deposits literally leaped up by $15,000,000, or more than double, the Loans increased by $8,000,000 and the total Assets by $16,000,000. The dividend was 7½ per cent. in 1899 and then stood at 7 per cent. until 1906.

With Mr. Hebden a still greater period of development commenced and the Bank kept in full touch with the stable and yet wonderful progress of the country. In 1905-6 a number of Branches were opened including Fort William and Vancouver; in the calendar year 1907 8 Branches were opened and 3 closed; in 1908 three were opened and in 1909 14 Branches—chiefly in the West—and several sub-agencies; in 1910 14 more were established including the Bank's first appearance in the Maritime Province by opening at Halifax and St. John; the following year saw a dozen more with a total of Branches and agencies at the close of 1911 numbering 170. At the 1906 annual meeting quarterly dividends were announced and a contribution of $19,000 to the Officials' Pension Fund; in 1907 Mr. Dawes passed away and was succeeded on the Board by C. M. Hays. C. R. Hosmer had become a Director in 1899 and Alex. Barnet in 1903. In 1907 the dividend was increased to 8 per cent., in 1910 to 9 per cent., and in 1911 to 10 per cent.

At the annual meeting of this year (Dec. 16) Mr. Hague drew attention to the Bank's "immediately available resources" as being 50 per cent. of the Liabilities. F. Orr Lewis was elected to the Board at this meeting in place of C. R. Hosmer, resigned. The

Net Profits of 1909 were $831,159 or 13·85 per cent. upon the capital and $500,000 was transferred to the Reserve Fund with $50,000 granted to the Pension Fund and, as in each of the past three years, $100,000 written off Bank Premises account. It was also decided to increase the authorized capital from six to ten millions and to ask Parliament for power accordingly. During 1910 the earnings continued to grow and the Net Profits ran over the million mark. Another $100,000 was written off Bank Premises, $50,000 added to Pension Fund and $400,000 to the Rest. Mr. Hebden, in addressing the Shareholders (Dec. 31) stated that $18,000,000 had been paid to them in dividends up to date or more than three times the paid-up Capital stock.

The year 1911 was again the best in the Bank's history and showed Net Profits of $1,179,581, the same policy as to Bank Premises and Pension Fund as in 1910, the addition of $500,000 to the Rest which now equalled 90 per cent. of the paid-up capital. During the year Hugh A. Allan resigned and C. F. Smith died and the newly-elected Board at the annual meeting of Dec. 20th was as follows: Sir H. Montagu Allan, c.v.o. (President), Jonathan Hodgson (Vice-President), Thomas Long, C. M. Hays, Alex. Barnet, F. Orr Lewis, K. W. Blackwell, Andrew A. Allan and C. C. Ballantyne. An issue of $1,000,000 new stock was announced chiefly for purposes of additional circulation. During these seven years of Mr. Hebden's management the Bank's Rest had grown by $2,000,000, the Deposits $35,000,000, the Loans by $33,000,000 and the total Assets by $40,000,000. The details from 1898 to 1911 inclusive were as follows:

Year.	Capital Paid Up.	Reserve Fund.	Deposits.	Circulation.	Loans.	Assets.
1898...	$6,000,000	$2,600,000	$13,693,005	$2,835,873	$18,373,735	$25,425,413
1899...	6,000,000	2,600,000	15,434,913	2,777,274	19,614,415	27,267,992
1900...	6,000,000	2,600,000	17,080,983	3,282,280	21,387,491	29,582,521
1901...	6,000,000	2,600,000	19,500,450	3,342,446	22,121,029	31,792,243
1902...	6,000,000	2,700,000	20,892,803	3,723,583	24,051,206	34,168,284
1903...	6,000,000	2,900,000	24,356,955	4,077,257	27,367,873	38,675,896
1904...	6,000,000	3,200,000	25,969,153	3,922,803	27,082,712	39,682,572
1905...	6,000,000	3,400,000	28,109,616	3,684,352	26,762,768	41,477,589
1906...	6,000,000	3,600,000	35,506,958	3,984,050	35,545,307	49,541,955
1907...	6,000,000	4,000,000	37,616,544	4,152,560	38,037,736	52,865,687
1908...	6,000,000	4,000,000	41,327,871	4,740,478	41,289,442	56,598,625
1909...	6,000,000	4,500,000	49,471,593	5,541,700	49,928,351	66,800,151
1910...	6,000,000	4,900,000	54,779,044	5,183,580	54,370,728	71,600,058
1911...	6,000,000	5,400,000	63,494,580	6,351,230	60,518,091	81,928,961

During these changing years of difficulty and development, of contribution to Canadian progress and a share in Canada's depressions, of eventual and apparently permanent prosperity, the Merchants Bank had various important officials besides the Cashier or General Managers. In its earlier history W. J. Ingram was Assistant General Manager from 1874 to 1882 when J. H. Plummer occupied the position, or that of Superintendent of Branches, until 1886; John Gault succeeded him until 1896 when Mr. Hebden became Chief Superintendent of Branches and so remained until accession to the General Management when Mr. T. E. Merritt came from the New York Agency to take his place.

HISTORICAL SKETCH OF

THE DOMINION BANK

The Dominion Bank is fortunate in having had a history conspicuous for steady and unbroken progress and, obviously, unmarked by any serious reverse. Founded by a group of Toronto business men, amongst whom James Austin and Sir Frank Smith were prominent, and fortunate in at once acquiring the trained services of Mr. R. H. Bethune—then Manager of the Quebec Bank in Toronto with 18 years of banking experience—as Cashier, the institution started in a small way but one which proved successful from the very beginning. Its Charter received the Royal Assent on June 22nd, 1869, and provided for an authorized capital of $1,000,000 with $400,000 to be paid up; the promoters named in the Charter were John Worthington, James Crowther, John W. Crawford, M.P., Hon. J. C. Aikins, Walter S. Lee, Joseph Gould, Hon. John Ross, James Holden and Aaron Ross. The organization meeting took place on January 10, 1871, when the following Board was elected: James Austin (President), Peleg Howland (Vice-President), Frank Smith, James Crowther, James Holden of the Whitby and Port Perry Railway, J. H. Mead, and John Worthington. The brokers who had charge of placing the stock on the market were Messrs. Pellatt and Osler and of the first issue of $1,000,000 there had been allotted on May 31st, 1872, $970,252 at a premium of 5 per cent.

Business was commenced on Feb. 1, 1871, on the north side of King Street East, near Toronto Street, and the first Report was presented to the Shareholders on May 1st, 1872, for the term ended April 22nd. Despite a period of dulness in trade—a condition which prevailed more or less during the next seven years—net profits of $107,488 were reported with a dividend at the rate of 8 per cent. and with the interesting statement that "no losses have been made at either Head Office or agencies since the Bank opened." Mr. Bethune was in charge of the management during this preliminary period and Agencies had been opened at Whitby, Oshawa, Orillia, Uxbridge and on Queen Street West, Toronto. This latter was the first City Branch opened in Toronto by any of our modern Banks and was succeeded by many more until in 1912 the Dominion had more than 20 Branches in Toronto alone. The Directors were all re-elected at the 1872 meeting, as above. During the next ten years the Bank management was carried on quietly but with substantial yearly profits and a uniform dividend

of 8 per cent. Even in the severe depression period of 1876-79 there was only a slight diminution in the net profits of the Bank. Few Agencies were opened—Bowmanville (closed in 1881), Cobourg, Napanee, Belleville and Lindsay being the chief. Mr. Worthington died in 1873 and was succeeded on the Board by John Severn, Mr. Mead in 1879 and was succeeded by Edward Leadley, Mr. Severn in 1880 and was succeeded by James Scott.

An interesting reference was made in the 1879 Directors' Report to the sum of $294,160 which was invested in Government securities. "They think it advisable to keep as much of the funds of the Bank, as the Rest amounts to, invested in this way. The rate of interest will of course be less than what might be made out of ordinary business; still the amount will be without risk and always available." In 1880 it was noted that the total invested in these and Municipal securities was larger than the amount of the Rest. Ten years later (1890) changes in national development and the greater degree of municipal progress and security were probably indicated in the fact of Government securities standing at $277,511 and Municipal at $1,257,525 while in 1896 the former total was $96,081 and Municipal and other Debentures $2,117,383. By 1911 the total investment in municipal, British, Foreign and Colonial, and Railway Bonds, Debentures and Stocks was $12,246,525.

Returning to 1878 it may be stated that the present Head Office site at the corner of King and Yonge Streets was then secured. The new building, in one of the most conspicuous business locations of Toronto, was occupied in 1879, while additional frontage was purchased and building improvements effected in 1884. The year 1882 had seen a notable financial appointment to the Board in the selection of Edmund B. Osler to replace the late James Holden. At the annual meeting in this year, also, the capital stock was increased by $500,000 and allotted to the Shareholders at a premium of 50 per cent. At the succeeding meeting (May 30, 1883) the Hon. (afterwards Sir) Frank Smith, a member of the Dominion Government, was elected Vice-President in succession to the late Peleg Howland. W. D. Matthews was also added to the Board and the dividend was increased to 10 per cent. The progress of the institution up to this time will be seen in the following table:

Year.	Capital Paid-Up.	Rest.	Total Deposits.	Loans and Discounts.	Net Profits.	Total Assets.
Apl. 22, 1872....	$834,544	$50,000	$1,057,150	$2,104,033	$107,488	$2,541,583
Apl. 30, 1873....	862,686	105,000	1,110,730	2,386,558	123,813	2,813,164
1874....	944,468	164,000	1,482,043	2,786,635	129,252	3,366,570
1875....	970,250	225,000	1,747,497	2,983,938	138,310	3,653,007
1876....	970,250	270,000	2,040,753	3,211,041	123,226	4,121,746
1877....	970,250	290,000	2,132,451	3,380,213	99,487	4,129,133
1878....	970,250	310,000	2,192,972	3,528,385	97,957	4,277,201
1879....	970,250	330,000	2,162,031	3,227,720	94,554	4,348,005
1880....	970,250	355,000	3,246,832	3,834,182	103,952	5,501,670
1881....	970,250	415,000	3,380,554	4,490,104	143,930	5,939,422
1882....	1,000,000	500,000	4,753,306	5,416,179	190,916	7,704,193
1883....	1,499,172	850,000	4,984,892	6,425,253	263,972	8,942,286

During the next decade or so the Dominion Bank grew steadily. Its total assets and volume of business doubled; its Rest account slowly increased until in 1894 it reached the condition, so important in financial opinion, of equalling the paid-up capital; its net Profits remained at a high figure until the depression of 1893 caused a slight reduction but not enough to affect the dividends; the latter and substantial proof of financial success stood at 10 per cent. from 1883 to 1887, at 10 per cent. with a Bonus of 1 per cent. additional, from 1888 to 1894, and at 12 per cent., payable quarterly, from 1895 until 1900. In 1884 it was stated that the practice of yearly putting aside a certain sum out of profits for the credit of Bank Premises account would be continued. Mr. Crowther retired from the Board in this year and William Ince became a Director. In 1886 a Guarantee and Pension Fund for officials was established with $5,000 set apart and a similar amount in succeeding years. The fact that in 1889 an arrangement was announced by the Board with the Bank of British North America for the redemption of Dominion Bank notes in British Columbia, with the Imperial Bank of Canada for Manitoba and the North West Territories and with the Merchants Bank of Halifax for Nova Scotia, New Brunswick and Prince Edward Island recalls the time when Canadian banknotes were not freely accepted throughout Canada.

At the annual meeting on May 25, 1892, the Directors were further authorized to pay the pensions of all officers and employees over the age of 35 years whose claims might become chargeable during the ten years ending June 1, 1901. This was afterwards extended to another ten years. There was little increase in the number of Branches during these years—the 15 in 1888 were only 17 in 1897, when, however, an advance was made by opening at Winnipeg, and, in 1898, at Montreal. These two Branches were from the first successful, the former under the management of F. L. Patton who, in 1911, was promoted to the Superintendency of Western Branches. Mr. A. M. Nanton, a well-known financier, was associated with this Branch from 1907 as Resident Director. In 1892 Mr. Bethune changed the old-fashioned designation of Cashier to that of General Manager, R. D. Gamble became Manager of the Toronto Branch and T. G. Brough Inspector. At the annual meeting of May 29th, 1895, the Directors had to announce Mr. Bethune's death and a Resolution recorded the high esteem in which he had been held by the Bankers and business community of the country in general together with the statement that it was to his " ability, energy, and careful management " that the Bank was largely indebted for its splendid position. The institution, which had started under his control with, in 1872, total assets of $2,500,000 had assets at this time of over $14,000,000. R. D. Gamble, who had served in the Bank since its inception, was appointed General Manager. In 1896 W. R. Brock succeeded

the late James Scott on the Board and in February, 1897, the institution lost another of its founders, and its President since the beginning, in the person of James Austin. Sir Frank Smith, the only survivor of the original Board, became President and E. B. Osler succeeded him as Vice-President. A. W. Austin was elected a Director. In 1900 Mr. Gamble passed away and was succeeded as General Manager by T. G. Brough who had been in the service of the Bank since 1875. The business of the institution from 1883 up to this time was as follows:

Year.	Capital Paid-Up.	Rest.	Total Deposits.	Loans and Discounts.	Net Profits.	Total Assets.
1884....	$1,500,000	$930,000	$5,067,585	$6,112,526	$233,357	$8,999,478
1885....	1,500,000	980,000	5,183,675	5,935,497	203,496	8,950,530
1886....	1,500,000	1,020,000	5,887,226	6,613,861	201,287	9,609,658
1887....	1,500,000	1,070,000	5,898,597	6,693,135	202,426	9,973,465
1888....	1,500,000	1,150,000	7,223,750	7,655,851	254,532	11,328,427
1889....	1,500,000	1,220,000	7,954,741	8,213,472	242,293	12,152,896
1890....	1,500,000	1,300,000	8,116,875	7,922,964	248,584	12,309,378
1891....	1,500,000	1,350,000	8,576,955	8,544,720	220,423	12,731,841
1892....	1,500,000	1,400,000	9,063,367	8,918,691	220,261	13,454,998
1893....	1,500,000	1,450,000	9,844,665	9,175,192	215,040	14,273,664
1894....	1,500,000	1,500,000	9,676,458	9,177,180	214,350	13,989,193
1895....	1,500,000	1,500,000	10,146,833	9,417,660	189,561	14,289,165
1896....	1,500,000	1,500,000	10,251,011	9,407,318	189,862	14,611,278
1897....	1,500,000	1,500,000	10,718,918	9,781,679	184,173	15,011,018
1898....	1,500,000	1,500,000	13,027,160	10,709,000	182,462	17,671,093
1899....	1,500,000	1,500,000	15,294,042	13,524,891	205,326	19,956,529
1900....	1,500,000	1,500,000	15,790,401	12,710,912	214,342	20,824,147

With the accession of Mr. Brough to the Bank's management, and the co-operating influence of national growth and prosperity there commenced a period of even greater progress than that of the past. At the annual meeting in 1900 (May 30) it was decided to double the capital stock by issuing $1,500,000 additional at a premium of 100 per cent. The Vice-President (Mr. Osler) stated that it had been the policy of the Directors since the organization of the Bank to keep the capital stock at a comparatively small figure but that the general expansion of trade and business in the country having forced the Bank to extend its operations to Manitoba and Montreal it was found, owing to the limit of circulation, that the Bank had been working at a disadvantage and the Directors felt that if they were to keep pace with the increasing and enlarging business of the country the capital of the institution must be increased. He added that the Shareholders were aware that the dividends paid by the Dominion Bank for many years had been at a high rate; the Bank had been able to pay these dividends in consequence of its small capital. "With the increase of capital it is felt that the true policy will be to pay a regular dividend of 10 per cent. and, from time to time as earnings warrant, to pay a bonus to the Shareholders." At this meeting Timothy Eaton was elected a Director in place of the late Edward Leadley.

In January, 1901, Sir Frank Smith died and Mr. (afterwards Sir) Edmund B. Osler was elected President with W. D. Matthews as Vice-President and J. J. Foy, K.C., M.L.A., as the new Director. In October, 1905, Mr. Ince passed away and was

replaced on the Board by R. J. Christie. Mr. Brough died suddenly in May, 1906, after managing the Bank for seven years, and was succeeded by Clarence A. Bogert, who had been with the institution for 25 years and its Manager at Montreal for the preceding 8 years. The Directors at the annual meeting of Jan. 30, 1907, were increased to nine in number and A. M. Nanton of Winnipeg and James Carruthers added to the Board. Mr. Eaton died in this year and was replaced as a Director by his son, John C. Eaton. In the Dec. 31 (1907) Report of the Directors appeared a statement which was rather typical of the policy and practice of this institution: "In view of the financial stringency which prevailed throughout the world in 1907, and the unsettled monetary conditions existing in the United States, it has been necessary to exercise unusual caution and prudence in administering the affairs of the Bank. Our policy has been to restrict advances without interfering with the proper requirements of the customers of the Bank, and to assist in marketing the products of the country—more especially the crops of the North-Western districts—at the same time maintaining strong Cash Reserves." Conditions changed for the better, however, and at the meeting in January, 1908, it was stated that while the cash reserves had been kept exceptionally strong for months and the liquid assets unusually high "a gradual expansion in business was now to be expected."

Meantime the capital had been steadily increased to meet the growing demands of business and national prosperity. In 1902 $1,000,000 was authorized bringing the total up to $4,000,000 but was not issued; in 1907 another million was authorized and taken up at 110 per cent. premium; in 1910 the authorized capital was increased to $10,000,000 and divided into shares of a par value of $100 each—replacing the former shares of $50. Of this new stock of $5,000,000, $1,000,000 was issued and subscribed for in 1911 and 1912 at a premium of 100 per cent. In view of the increasing business of the Winnipeg branch it had been found necessary in 1899 to erect a larger and more suitable building at that growing centre of the West. There was a large expansion in Branches during the years between 1903 and 1912 —the Dominion Bank in this respect following the course of a general development which made increasing demands upon all the larger institutions of Canada.

In the former year London and Madoc in Ontario, Boissevain, Brandon, Deloraine and Selkirk in Manitoba and Grenfell in the North-West Territories were established; in 1904 the Fort William and St. Thomas branches were opened in Ontario; in 1906 Chatham, Dresden, Peterborough, Tilbury, Windsor and two Toronto branches were opened while the growing power of the West was recognized at Calgary, Edmonton and Regina. So, in 1908, when branches were opened at Ottawa, Hamilton and

Berlin with additional ones at Montreal and Toronto, at Strathcona, Alta., and Vancouver, B.C. In 1909 six Ontario branches of the Sovereign Bank were taken over, two others were opened in Ontario and one at Wawota, Sask.; in 1910 a Victoria, B.C., branch was established with five in Saskatchewan, including Moose Jaw and Saskatoon, another in Montreal and four in Ontario. In 1911 branches were opened at several points in Ontario and the West and on July 1st at London, England, with E. W. Hamber as Manager. The total increase in these years was from 33 to 86 Branches. Meanwhile, the dividend in 1901 (Apl. 30) had been 10½ per cent.; in 1902 and 1903, 10 per cent.; in the 8 months ended Dec. 31, 1903, 6 2-3 per cent.; in 1904 and 1905 10 per cent.; from 1906 to 1911 12 per cent. The business of the Bank during these latter years was as follows:

Year.	Capital Paid-Up.	Rest.	Total Deposits.	Loans and Discounts.	Net Profits.	Total Assets.
1901....	$2,440,291	$2,440,291	$18,577,617	$13,245,420	$275,192	$25,623,245
1902....	2,500,000	2,500,000	20,862,559	17,101,052	353,172	28,999,571
1903....	2,983,865	2,983,865	23,389,680	19,192,349	445,567	33,791,703
Dec. 31, 1903....	3,000,000	3,000,000	26,377,141	21,409,271	321,073	35,745,198
1904....	3,000,000	3,500,000	29,700,043	23,689,045	459,670	39,225,789
1905....	3,000,000	3,500,000	34,083,108	28,564,199	490,495	44,403,739
1906....	3,000,000	3,900,000	36,876,156	32,915,267	539,360	49,694,379
1907....	3,848,597	4,833,456	34,242,155	31,447,382	635,235	48,497,217
1908....	3,983,392	4,981,731	37,913,096	30,960,438	641,318	50,881,381
1909....	4,000,000	5,000,000	45,487,813	34,815,943	620,927	58,957,038
1910....	4,000,000	5,000,000	49,302,784	37,920,928	659,300	62,677,820
1911....	4,702,799	5,702,799	53,547,865	40,492,726	704,045	70,179,552

It may be added that the management of the Bank in these 40 years of its history was aided by a series of efficient Inspectors —R. A. Helliwell, R. D. Gamble, Walter Darling, T. G. Brough, H. J. Bethune and E. A. Begg. The latter retired in 1912 from what had become the Chief Inspectorate to assume, with Mr. A. Pepler, the new post of Joint Assistant to the General Manager. For many years in the earlier history of the Bank J. Hamilton Kane and then, for a time, R. D. Gamble had held the position of Assistant Cashier, but the post was not continued. The Directors of the Dominion Bank, elected at its 1912 annual meeting, were as follows: Sir Edmund B. Osler, M.P. (President), W. D. Matthews (Vice-President), W. R. Brock, A. W. Austin, R. J. Christie, John C. Eaton, James Carruthers, Hon. J. J. Foy, K.C., M.L.A., and A. M. Nanton. It may be said, in conclusion, that the notable point in the history of this institution is the fact of its unbroken career of prosperity. Its total Assets increased under Mr. Bethune's long career of management and in times of slow national development from $2,541,000 to $13,989,000; under Mr. Gamble's brief, but successful, period of control they grew from the latter figure to $19,956,000; under Mr. Brough's seven years of later expansion they grew to $44,403,000; under Mr. Bogert's period of management they had expanded to the large total of $70,179,000. Three specific points in this develop-

ment must, also, be mentioned. One is the care that has been taken to keep strong Cash reserves constantly available; another is the high character, the unusually high financial standing, of the individual members of its Board of Directors from the beginning to this year of 1912 when most of the names are household words in the Canadian financial world; still another is the exceptional condition, for Canada, of possessing for some years a Rest or Reserve Fund larger by a million dollars than the paid-up Capital stock.

THE ROYAL BANK OF CANADA IN 1911

The remarkable progress of this institution continued during the year.* Every part of Canada felt the impress of its development and in the creation of Branches even wider fields were occupied. One was opened at Fort William, Ont., three in Nova Scotia, one in Prince Edward Island, seven in Alberta—including Medicine Hat and far-away Vermilion in the Peace River region, four in Saskatchewan and seven in British Columbia. To these 23 new Branches in Canada were added five more in Cuba, one in Porto Rico, one in Trinidad, one in Jamaica, one in Barbados, and one in Newfoundland. The total number of the Royal Bank's branches at the close of the year was 207. The Net Profits for the year were $1,152,249 with a preceding balance at Profit and Loss account of $243,230; a dividend of 12 per cent. was paid and $401,480 carried forward in Profit and Loss Account. The following table gives comparative figures of progress in three years—a striking record:

	1909. Dec. 31.	1910. Dec. 31.	1911. Dec. 31.
Capital paid up	$5,000,000	$6,200,000	$6,251,080
Reserve	5,700,000	7,000,000	7,056,188
Total Deposits	50,822,129	72,079,607	88,294,808
Circulation	4,579,678	5,925,890	6,338,076
Liabilities to public	55,858,710	78,652,533	96,358,342
Specie	3,560,247	4,141,664	4,801,012
Dominion Notes	4,993,532	8,530,488	10,094,472
Call Loans	9,638,309	7,178,574	13,322,851
Liquid Assets	31,406,621	37,226,670	47,738,440
Current Loans	33,644,705	52,471,208	59,646,165
Total Assets	67,051,102	92,510,346	110,528,512

The expansion in 1909-1910 was only partly due to the acquisition of the Union Bank of Halifax and in 1911 the process continued

* NOTE.—For the complete History and record of this Bank see the Special Supplement in THE CANADIAN ANNUAL REVIEW, 1910.

and increased without any absorption—an addition of $16,000,000 to the Deposits, of $6,000,000 in Call Loans and $7,000,000 in Current Loans, of $18,000,000 in total Assets. Negotiations were under way during the year for amalgamation of the Colonial Bank of London—an institution 74 years old and greatly interested in West Indian trade—with the Royal Bank, but difficulties developed and they were eventually abandoned. The growth of the West Indies, the coming of the Panama Canal, the natural competition of the two Banks, made the subject an important one. At the 43rd annual Meeting of the Royal Bank on Jan. 18, 1912, the President, Mr. H. S. Holt, described the "fundamental policy" of the Bank as being subordination of profits to strength. Mr. E. L. Pease, the General Manager, referred to the 70 Branches added to the Bank's list in the past three years, to the large and efficient staff now numbering 1,510, to the 16 Branches in Cuba as all doing well, and to the year 1911 as having been one of wholesome and steady prosperity for their institution.

The Board was re-elected as follows: H. S. Holt (President), E. L. Pease (Vice-President), Wiley Smith, Hon David Mackeen, James Redmond, F. W. Thompson, G. R. Crowe, D. K. Elliott, W. H. Thorne, Hugh Paton, T. J. Drummond and William Robertson. The chief Officials at the close of 1911, in addition to Mr. Pease, General-Manager, were C. E. Neill and F. J. Sherman, Assistant General-Managers, and W. B. Torrance, Superintendent of Branches.

THE SUN LIFE ASSURANCE COMPANY OF CANADA IN 1911

The conspicuous progress of this Company continued during 1911* and its 41st Annual Report declared that "the rapid growth and prosperity which have been so characteristic of its history for many years have been even more marked than formerly, and the Company occupies to-day a position of such magnitude and strength as to be a source of legitimate pride to all interested in it, both shareholders and policyholders."

* NOTE.—For an historical record of the Company see Special Supplement in THE CANADIAN ANNUAL REVIEW for 1910.

The new Assurances issued and paid for were again in advance of all preceding years and numbered 15,161 for $26,436,781 or 785 policies for $2,924,403 more than the figures of 1910. The Assurance in force at the end of 1911 totalled $164,572,073 or an advance in the year of $21,022,797. The income of the Company also increased by nearly a million to a total of $10,557,335 while the Assets increased to a total of $43,900,885. The Profits earned after setting aside the sum necessary to raise the basis for the reserves on the Royal-Victoria policies up to that employed for the Company's own business, amounted to $1,243,-763. Of this amount $479,126 was distributed to policyholders and $764,636 added to the undistributed surplus, thus making provision for the future profits of policyholders, and still further strengthening the Company.

The total Surplus over all liabilities and shareholders' capital amounted to $4,717,073. Had the Dominion Government standard for the valuation of liabilities been employed, the Surplus would have been $5,882,951. The Payments to policyholders since organization had totalled $29,670,271. The following table summarizes the Company's growth since its inception:

Year.	Income.	Assets.	Life Assurance in Force.
1872.....	$48,210.93	$96,461.95	$1,064,350.00
1891.....	920,174.57	2,885,571.44	19,436,961.00
1901.....	3,095,666.07	11,773,032.98	62,400,951.00
1911.....	10,557,335.52	43,900,885.98	164,572,073.00

At the annual meeting on Mar. 7th the number of Directors was increased from 8 to 12 and William Birks, H. W. K. Hale, H. S. Holt and Hon. R. Dandurand were elected to the Board. During the year James P. Cleghorn, a Director of the Company, passed away and was succeeded by Mr. George E. Drummond. The Board, as re-elected on Mch. 5th, 1912, was composed as follows: Robertson Macaulay (President), S. H. Ewing (Vice-President), W. M. Birks, H. S. Holt, Hon. Raoul Dandurand, J. Redpath Dougall, George E. Drummond, H. W. K. Hale, Charles R. Hosmer, Abner Kingman, T. B. Macaulay and John McKergow. Mr. T. B. Macaulay, F.I.A., F.A.S., was Managing-Director and Secretary, Dr. George Wilkins was Chief Medical Officer with Arthur B. Wood as Actuary, and F. G. Cope Superintendent of Agencies.

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31st Annual Statement of the

North American Life Assurance Co.

Head Office - Toronto, Ont.

1911

Received for Premiums, Interest, etc.	$2,252,556.85
Received for Net Profit, Investments Sold	42,620.13
	$2,295,176.98
Payments on Policyholders' Account.	$ 988,313.49
Interest on Guarantee Fund	6,000.00
All other Payments	420,822.32
Balance added to Funds	880,041.17
	$2,295,176.98

ASSETS

Mortgages, Bonds, Debentures. etc.	$12,313,107.57

LIABILITIES

Reserve Funds, etc.	$11,012,323.57
Net Surplus	$ 1,300,784.00

Secretary
W. B. TAYLOR, B.A., LL.B.

Actuary
D. E. KILGOUR, M.A., A.I.A., F.A.S.

A. E. AMES. H. R. TUDHOPE. T. BRADSHAW.
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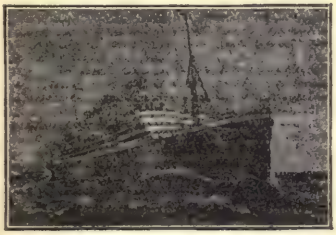

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